

House Bill 3326

Sponsored by Representative RESCHKE

SUMMARY

The following summary is not prepared by the sponsors of the measure and is not a part of the body thereof subject to consideration by the Legislative Assembly. It is an editor's brief statement of the essential features of the measure **as introduced**.

Changes name of Oregon Health Authority to Oregon Department of Health. Makes conforming changes.

Becomes operative on January 1, 2024.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to changing the name of the Oregon Health Authority; creating new provisions; amending
3 ORS 18.855, 25.381, 25.550, 87.533, 90.440, 92.337, 93.268, 97.210, 97.450, 97.977, 105.580, 106.081,
4 106.320, 109.094, 109.096, 109.225, 109.251, 109.675, 109.680, 109.695, 111.215, 113.038, 113.085,
5 113.086, 113.105, 113.145, 114.305, 114.325, 114.456, 114.515, 114.517, 114.525, 114.535, 115.125,
6 115.195, 116.093, 124.050, 125.012, 125.060, 125.693, 126.725, 126.730, 127.529, 127.532, 127.533,
7 127.663, 127.666, 127.669, 127.720, 127.760, 127.865, 130.370, 130.425, 135.139, 135.980, 137.227,
8 137.228, 137.229, 137.300, 137.464, 137.466, 137.476, 137.658, 137.924, 144.102, 144.270, 161.315,
9 161.328, 161.365, 161.367, 161.370, 161.373, 161.375, 161.385, 161.390, 161.392, 163A.040, 163A.125,
10 163A.200, 163A.205, 165.698, 166.250, 166.273, 166.291, 166.470, 167.763, 169.076, 169.690, 178.380,
11 179.010, 179.040, 179.050, 179.055, 179.065, 179.105, 179.110, 179.140, 179.150, 179.210, 179.230,
12 179.240, 179.321, 179.325, 179.331, 179.360, 179.370, 179.375, 179.380, 179.385, 179.390, 179.450,
13 179.460, 179.473, 179.479, 179.490, 179.492, 179.505, 179.509, 179.560, 179.570, 179.620, 179.640,
14 179.653, 179.655, 179.660, 179.701, 179.711, 179.731, 179.740, 179.745, 179.770, 181A.195, 181A.200,
15 181A.285, 181A.290, 181A.375, 182.415, 182.515, 182.535, 183.453, 183.471, 185.140, 187.284, 192.355,
16 192.535, 192.537, 192.539, 192.547, 192.549, 192.556, 192.582, 192.588, 192.589, 192.630, 197.746,
17 198.792, 199.461, 199.490, 199.495, 199.512, 215.449, 215.451, 215.452, 222.120, 222.850, 222.860,
18 222.870, 222.875, 222.880, 222.883, 222.885, 222.890, 222.897, 222.900, 222.905, 222.911, 227.320,
19 238.082, 243.061, 243.125, 243.142, 243.145, 243.862, 243.878, 244.050, 247.570, 270.100, 273.785,
20 276.180, 276.610, 276.612, 278.315, 279A.050, 285A.213, 285B.563, 292.051, 314.840, 315.613, 320.308,
21 323.404, 323.455, 323.457, 323.459, 323.597, 323.627, 329A.260, 329A.400, 329A.410, 329A.420,
22 329A.600, 332.111, 332.331, 332.334, 332.341, 332.345, 336.213, 336.222, 336.227, 336.235, 336.241,
23 339.333, 339.341, 339.343, 339.505, 339.869, 343.243, 343.499, 343.961, 352.256, 352.262, 353.485,
24 401.054, 401.109, 401.654, 401.657, 401.658, 401.661, 401.667, 401.670, 401.851, 401.910, 401.922,
25 403.450, 408.310, 408.320, 408.325, 408.570, 408.580, 409.010, 410.075, 410.080, 410.600, 410.606,
26 410.619, 410.720, 411.010, 411.083, 411.095, 411.300, 411.320, 411.400, 411.402, 411.404, 411.406,
27 411.408, 411.435, 411.439, 411.447, 411.463, 411.593, 411.610, 411.620, 411.630, 411.632, 411.635,
28 411.640, 411.675, 411.690, 411.694, 411.703, 411.813, 411.965, 411.967, 411.969, 411.970, 413.011,
29 413.017, 413.032, 413.033, 413.034, 413.036, 413.037, 413.038, 413.041, 413.042, 413.046, 413.071,
30 413.072, 413.083, 413.084, 413.085, 413.101, 413.105, 413.109, 413.121, 413.125, 413.129, 413.135,

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

1 413.151, 413.161, 413.162, 413.163, 413.164, 413.166, 413.167, 413.171, 413.175, 413.181, 413.195,
2 413.196, 413.201, 413.223, 413.225, 413.227, 413.231, 413.234, 413.235, 413.246, 413.248, 413.250,
3 413.255, 413.256, 413.257, 413.259, 413.260, 413.270, 413.271, 413.301, 413.308, 413.310, 413.430,
4 413.435, 413.450, 413.500, 413.520, 413.522, 413.550, 413.554, 413.556, 413.558, 413.559, 413.560,
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6 414.018, 414.025, 414.033, 414.034, 414.041, 414.044, 414.065, 414.066, 414.067, 414.071, 414.072,
7 414.109, 414.115, 414.117, 414.125, 414.135, 414.145, 414.153, 414.211, 414.221, 414.225, 414.227,
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9 414.337, 414.351, 414.353, 414.354, 414.359, 414.361, 414.369, 414.371, 414.372, 414.381, 414.382,
10 414.414, 414.426, 414.428, 414.430, 414.432, 414.534, 414.536, 414.538, 414.540, 414.570, 414.572,
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14 414.717, 414.719, 414.723, 414.726, 414.728, 414.735, 414.742, 414.743, 414.755, 414.756, 414.760,
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16 414.855, 414.857, 414.863, 414.865, 414.867, 414.869, 414.880, 414.882, 414.884, 414.900, 414.902,
17 415.001, 415.011, 415.013, 415.015, 415.019, 415.055, 415.056, 415.057, 415.063, 415.064, 415.066,
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24 418.731, 418.735, 418.748, 418.751, 418.813, 418.978, 418.979, 418.981, 418.983, 418.984, 419A.245,
25 419A.260, 419B.005, 419B.839, 419C.382, 419C.386, 419C.392, 419C.394, 419C.396, 419C.507,
26 419C.529, 419C.530, 419C.532, 419C.533, 419C.538, 419C.542, 420.505, 420.870, 420A.135, 420A.145,
27 420A.155, 421.504, 421.633, 426.005, 426.010, 426.020, 426.060, 426.070, 426.072, 426.075, 426.110,
28 426.120, 426.127, 426.129, 426.130, 426.133, 426.140, 426.150, 426.170, 426.217, 426.220, 426.223,
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2 431A.065, 431A.070, 431A.080, 431A.085, 431A.090, 431A.095, 431A.100, 431A.105, 431A.125,
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4 431A.212, 431A.214, 431A.218, 431A.255, 431A.258, 431A.260, 431A.263, 431A.265, 431A.270,
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3 466.280, 466.605, 466.615, 468.035, 468.055, 468.060, 468.149, 468A.707, 468B.150, 469.525, 469.533,
4 469.559, 469.611, 471.190, 471.235, 471.333, 471.432, 471.547, 471.732, 475.225, 475.495, 475.565,
5 475A.200, 475A.220, 475A.225, 475A.230, 475A.235, 475A.240, 475A.243, 475A.245, 475A.250,
6 475A.255, 475A.265, 475A.270, 475A.290, 475A.295, 475A.300, 475A.305, 475A.310, 475A.315,
7 475A.320, 475A.325, 475A.330, 475A.335, 475A.340, 475A.345, 475A.350, 475A.355, 475A.360,
8 475A.370, 475A.375, 475A.380, 475A.385, 475A.390, 475A.395, 475A.400, 475A.405, 475A.410,
9 475A.415, 475A.420, 475A.425, 475A.435, 475A.445, 475A.450, 475A.460, 475A.465, 475A.468,
10 475A.471, 475A.477, 475A.480, 475A.483, 475A.486, 475A.489, 475A.492, 475A.495, 475A.510,
11 475A.513, 475A.516, 475A.519, 475A.538, 475A.542, 475A.546, 475A.554, 475A.558, 475A.574,
12 475A.582, 475A.586, 475A.590, 475A.594, 475A.598, 475A.602, 475A.606, 475A.610, 475A.614,
13 475A.618, 475A.626, 475A.630, 475A.634, 475A.638, 475A.642, 475A.646, 475A.650, 475A.654,
14 475A.662, 475A.670, 475A.686, 475A.702, 475A.718, 475C.009, 475C.069, 475C.153, 475C.169,
15 475C.257, 475C.289, 475C.305, 475C.325, 475C.449, 475C.457, 475C.461, 475C.465, 475C.473,
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19 475C.800, 475C.803, 475C.806, 475C.809, 475C.812, 475C.815, 475C.818, 475C.821, 475C.824,
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21 475C.862, 475C.865, 475C.868, 475C.871, 475C.874, 475C.877, 475C.880, 475C.883, 475C.894,
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31 657.880, 657.885, 659A.220, 675.368, 675.650, 675.653, 675.655, 675.658, 675.664, 676.150, 676.160,
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33 676.681, 676.850, 676.855, 676.860, 676.863, 676.866, 676.875, 676.885, 676.890, 677.010, 677.491,
34 677.515, 677.812, 678.153, 678.362, 678.440, 679.540, 679.552, 679.600, 679.624, 680.205, 680.213,
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37 682.216, 682.218, 682.220, 682.224, 682.245, 682.400, 682.403, 682.991, 685.055, 687.495, 688.545,
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40 708A.430, 723.466, 731.276, 735.520, 735.534, 741.002, 741.003, 741.004, 741.008, 741.102, 741.105,
41 741.107, 741.220, 741.222, 741.300, 741.310, 741.340, 741.381, 741.390, 741.400, 741.500, 741.510,
42 741.520, 741.540, 741.802, 741.900, 743.029, 743.031, 743.034, 743.035, 743A.078, 743A.168, 743B.130,
43 759.688, 802.250, 805.285, 807.720, 809.235, 813.021, 813.025, 813.260, 813.270, 813.602, 813.630,
44 815.260, 820.330, 820.360, 820.380 and 830.110 and sections 13 and 14, chapter 653, Oregon Laws
45 1991, section 4, chapter 220, Oregon Laws 2011, sections 1 and 17, chapter 716, Oregon Laws

1 2011, section 2, chapter 771, Oregon Laws 2013, section 1, chapter 93, Oregon Laws 2014,
 2 sections 1, 2, 3 and 4, chapter 575, Oregon Laws 2015, section 115, chapter 736, Oregon Laws
 3 2015, section 2, chapter 842, Oregon Laws 2015, section 6, chapter 281, Oregon Laws 2017, sec-
 4 tion 3, chapter 489, Oregon Laws 2017, section 2, chapter 538, Oregon Laws 2017, section 3,
 5 chapter 544, Oregon Laws 2019, section 2, chapter 574, Oregon Laws 2019, section 2, chapter
 6 245, Oregon Laws 2021, section 2, chapter 467, Oregon Laws 2021, section 151, chapter 539,
 7 Oregon Laws 2021, section 41, chapter 542, Oregon Laws 2021, section 2, chapter 543, Oregon
 8 Laws 2021, section 6, chapter 554, Oregon Laws 2021, section 24a, chapter 591, Oregon Laws
 9 2021, section 1, chapter 616, Oregon Laws 2021, sections 1, 2 and 3, chapter 619, Oregon Laws
 10 2021, section 8, chapter 623, Oregon Laws 2021, sections 1 and 3, chapter 9, Oregon Laws 2022,
 11 sections 1, 2 and 3, chapter 11, Oregon Laws 2022, sections 1, 2, 3, 4, 5, 6, 7 and 8, chapter 29,
 12 Oregon Laws 2022, sections 3, 4 and 5, chapter 30, Oregon Laws 2022, sections 3, 7 and 10,
 13 chapter 37, Oregon Laws 2022, sections 1 and 2, chapter 39, Oregon Laws 2022, section 10,
 14 chapter 45, Oregon Laws 2022, sections 1 and 2, chapter 48, Oregon Laws 2022, section 7,
 15 chapter 55, Oregon Laws 2022, section 12, chapter 58, Oregon Laws 2022, section 1, chapter 61,
 16 Oregon Laws 2022, sections 5 and 6, chapter 63, Oregon Laws 2022, sections 7, 10 and 14,
 17 chapter 86, Oregon Laws 2022, section 1, chapter 87, Oregon Laws 2022, section 14, chapter 90,
 18 Oregon Laws 2022, section 3, chapter 91, Oregon Laws 2022, section 1, chapter 93, Oregon Laws
 19 2022, and section 1, chapter 106, Oregon Laws 2022; and declaring an emergency.

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

21
 22
 23

OREGON DEPARTMENT OF HEALTH

24 **SECTION 1.** ORS 413.032, as amended by section 3, chapter 87, Oregon Laws 2022, is amended
 25 to read:

26 413.032. (1) The Oregon [*Health Authority*] **Department of Health** is established. The
 27 [*authority*] **department** shall:

- 28 (a) Carry out policies adopted by the Oregon Health Policy Board;
- 29 (b) Administer the Oregon Integrated and Coordinated Health Care Delivery System established
 30 in ORS 414.570, the COFA Premium Assistance Program established in ORS 413.610 and the COFA
 31 Dental Program established in section 1, chapter 87, Oregon Laws 2022;
- 32 (c) Administer the Oregon Prescription Drug Program;
- 33 (d) Develop the policies for and the provision of publicly funded medical care and medical as-
 34 sistance in this state;
- 35 (e) Develop the policies for and the provision of mental health treatment and treatment of ad-
 36 dictions;
- 37 (f) Assess, promote and protect the health of the public as specified by state and federal law;
- 38 (g) Provide regular reports to the board with respect to the performance of health services
 39 contractors serving recipients of medical assistance, including reports of trends in health services
 40 and enrollee satisfaction;
- 41 (h) Guide and support, with the authorization of the board, community-centered health initiatives
 42 designed to address critical risk factors, especially those that contribute to chronic disease;
- 43 (i) Be the state Medicaid agency for the administration of funds from Titles XIX and XXI of the
 44 Social Security Act and administer medical assistance under ORS chapter 414;
- 45 (j) In consultation with the Director of the Department of Consumer and Business Services, pe-

1 riodically review and recommend standards and methodologies to the Legislative Assembly for:

2 (A) Review of administrative expenses of health insurers;

3 (B) Approval of rates; and

4 (C) Enforcement of rating rules adopted by the Department of Consumer and Business Services;

5 (k) Structure reimbursement rates for providers that serve recipients of medical assistance to
6 reward comprehensive management of diseases, quality outcomes and the efficient use of resources
7 and to promote cost-effective procedures, services and programs including, without limitation, pre-
8 ventive health, dental and primary care services, web-based office visits, telephone consultations and
9 telemedicine consultations;

10 (L) Guide and support community three-share agreements in which an employer, state or local
11 government and an individual all contribute a portion of a premium for a community-centered health
12 initiative or for insurance coverage;

13 (m) Develop, in consultation with the Department of Consumer and Business Services, one or
14 more products designed to provide more affordable options for the small group market;

15 (n) Implement policies and programs to expand the skilled, diverse workforce as described in
16 ORS 414.018 (4); and

17 (o) Implement a process for collecting the health outcome and quality measure data identified
18 by the Health Plan Quality Metrics Committee and the Behavioral Health Committee and report the
19 data to the Oregon Health Policy Board.

20 (2) The Oregon [*Health Authority*] **Department of Health** is authorized to:

21 (a) Create an all-claims, all-payer database to collect health care data and monitor and evaluate
22 health care reform in Oregon and to provide comparative cost and quality information to consumers,
23 providers and purchasers of health care about Oregon's health care systems and health plan net-
24 works in order to provide comparative information to consumers.

25 (b) Develop uniform contracting standards for the purchase of health care, including the fol-
26 lowing:

27 (A) Uniform quality standards and performance measures;

28 (B) Evidence-based guidelines for major chronic disease management and health care services
29 with unexplained variations in frequency or cost;

30 (C) Evidence-based effectiveness guidelines for select new technologies and medical equipment;

31 (D) A statewide drug formulary that may be used by publicly funded health benefit plans; and

32 (E) Standards that accept and consider tribal-based practices for mental health and substance
33 abuse prevention, counseling and treatment for persons who are Native American or Alaska Native
34 as equivalent to evidence-based practices.

35 (3) The enumeration of duties, functions and powers in this section is not intended to be exclu-
36 sive nor to limit the duties, functions and powers imposed on or vested in the Oregon [*Health Au-*
37 *thority*] **Department of Health** by ORS 413.006 to 413.042, 413.610 to 413.613, 415.012 to 415.430,
38 415.501, 741.001 to 741.540, 741.802 and 741.900 or by other statutes.

39 **SECTION 2.** ORS 413.033 is amended to read:

40 413.033. (1) The Oregon [*Health Authority*] **Department of Health** is under the supervision and
41 control of a director, who is responsible for performing the duties, functions and powers of the [*au-*
42 *thority*] **department**.

43 (2) The Governor shall appoint the Director of the Oregon [*Health Authority*] **Department of**
44 **Health**, who holds office at the pleasure of the Governor. The appointment of the director is subject
45 to confirmation by the Senate in the manner provided by ORS 171.562 and 171.565.

1 (3) In addition to the procurement authority granted by ORS 279A.050 (6)(b) and except as pro-
 2 vided in ORS 279A.050 (7), the director has all powers necessary to effectively and expeditiously
 3 carry out the duties, functions and powers vested in the [authority] **department** by ORS 413.032.

4 (4) The director shall have the power to obtain such other services as the director considers
 5 necessary or desirable, including participation in organizations of state insurance supervisory offi-
 6 cials and appointment of advisory committees. A member of an advisory committee so appointed may
 7 not receive compensation for services as a member, but, subject to any other applicable law regu-
 8 lating travel and other expenses of state officers, shall receive actual and necessary travel and other
 9 expenses incurred in performing official duties.

10 (5) The director may apply for, receive and accept grants, gifts or other payments, including
 11 property or services from any governmental or other public or private person, and may make ar-
 12 rangement to use the receipts, including for undertaking special studies and other projects that re-
 13 late to the costs of health care, access to health care, public health and health care reform.

14 **SECTION 3.** ORS 413.101 is amended to read:

15 413.101. (1) The Oregon [Health Authority] **Department of Health** Fund is established in the
 16 State Treasury, separate and distinct from the General Fund. Interest earned by the Oregon [Health
 17 Authority] **Department of Health** Fund shall be credited to the fund.

18 (2) Except as provided in subsection (3) of this section, moneys in the fund are continuously
 19 appropriated to the Oregon [Health Authority] **Department of Health** for carrying out the duties,
 20 functions and powers of the [authority] **department** under ORS 413.032, 415.501 and 431A.183.

21 (3)(a) Moneys deposited in the fund pursuant to ORS 431A.880 are continuously appropriated to
 22 the [authority] **department** for the purpose of carrying out ORS 431A.855 to 431A.900.

23 (b) The [authority] **department** may accept grants, donations, gifts or moneys from any source
 24 for the purposes of carrying out ORS 431A.855 to 431A.900. Moneys received under this paragraph
 25 shall be deposited into the fund and are continuously appropriated for the purposes of carrying out
 26 ORS 431A.855 to 431A.900.

27 (c) Moneys subject to a federal restriction or other funding source restriction must be accounted
 28 for separately from other moneys described in this subsection.

29 **SECTION 4.** ORS 413.121 is amended to read:

30 413.121. (1) There is established an Oregon [Health Authority] **Department of Health** Special
 31 Checking Account in the State Treasury. Upon the written request of the Director of the Oregon
 32 [Health Authority] **Department of Health**, the Oregon Department of Administrative Services shall
 33 draw payments in favor of the [authority] **Oregon Department of Health** to be charged against
 34 appropriations and other moneys available to the [authority] **department** in the same manner as
 35 other claims against the state, as provided in ORS chapter 293. All such payments shall be deposited
 36 in the special checking account and may be disbursed by check or other means acceptable to the
 37 State Treasurer.

38 (2) The special checking account may be used for the purpose of paying the administrative ex-
 39 penses of programs and services as assigned to the [authority] **department** by law, including the
 40 payment of expenses to be reimbursed by the federal government.

41 (3) In addition to funds authorized under ORS 293.180, the [authority] **department** may establish
 42 petty cash funds out of the special checking account or any account established in the State
 43 Treasury for the [authority] **department**. The [authority] **department** may pay expenses using small
 44 cash disbursements from a petty cash fund. Periodically, the [authority] **department** shall request
 45 reimbursement for disbursements made from a petty cash fund. Upon receipt of a reimbursement

1 payment from an appropriate account, the [authority] **department** shall use the payment to reim-
 2 burse the petty cash fund.

3 **SECTION 5. (1)(a) The amendments to ORS 413.032 by section 1 of this 2023 Act are in-**
 4 **tended to change the name of the “Oregon Health Authority” to the “Oregon Department**
 5 **of Health.”**

6 **(b) For the purpose of harmonizing and clarifying statutory law, the Legislative Council**
 7 **may substitute for words designating the “Oregon Health Authority,” wherever they occur**
 8 **in statutory law, other words designating the “Oregon Department of Health.”**

9 **(2)(a) The amendments to ORS 413.033 by section 2 of this 2023 Act are intended to**
 10 **change the name of the “Director of the Oregon Health Authority” to the “Director of the**
 11 **Oregon Department of Health.”**

12 **(b) For the purpose of harmonizing and clarifying statutory law, the Legislative Council**
 13 **may substitute for words designating the “Director of the Oregon Health Authority,” wher-**
 14 **ever they occur in statutory law, other words designating the “Director of the Oregon De-**
 15 **partment of Health.”**

16 **(3)(a) The amendments to ORS 413.101 by section 3 of this 2023 Act are intended to**
 17 **change the name of the “Oregon Health Authority Fund” to the “Oregon Department of**
 18 **Health Fund.”**

19 **(b) For the purpose of harmonizing and clarifying statutory law, the Legislative Council**
 20 **may substitute for words designating the “Oregon Health Authority Fund,” wherever they**
 21 **occur in statutory law, other words designating the “Oregon Department of Health Fund.”**

22 **(4)(a) The amendments to ORS 413.121 by section 4 of this 2023 Act are intended to**
 23 **change the name of the “Oregon Health Authority Special Checking Account” to the “Oregon**
 24 **Department of Health Special Checking Account.”**

25 **(b) For the purpose of harmonizing and clarifying statutory law, the Legislative Council**
 26 **may substitute for words designating the “Oregon Health Authority Special Checking Ac-**
 27 **count,” wherever they occur in statutory law, other words designating the “Oregon Depart-**
 28 **ment of Health Special Checking Account.”**

29
 30 **CONFORMING AMENDMENTS**

31
 32 **SECTION 6.** ORS 18.855 is amended to read:

33 18.855. (1) Notwithstanding ORS 18.607, a notice of garnishment issued by a state agency need
 34 not contain the name of a court whose authority is invoked.

35 (2) State agencies shall make such modifications as are necessary in the wage exemption cal-
 36 culation form provided by ORS 18.840 if a notice of garnishment is issued for a debt due for a state
 37 tax that is subject to the provisions of ORS 18.385 (6).

38 (3) Notwithstanding ORS 18.625, but subject to ORS 18.618 (2), a notice of garnishment issued
 39 by a state agency acts to garnish all wages earned by the debtor by reason of services to the
 40 garnishee until the full amount of the debt is paid or until the notice of garnishment is released by
 41 the state agency or by court order. A notice of garnishment issued by a state agency must contain
 42 language reasonably designed to notify the garnishee of the provisions of this subsection.

43 (4) Notwithstanding ORS 18.690, a garnishee who receives a notice of garnishment issued by a
 44 state agency need not deliver a copy of the garnishee response to the clerk of the court, but must
 45 deliver the original of the response to the state agency.

1 (5) Notwithstanding ORS 18.700, a challenge to a notice of garnishment issued by a state agency
2 must be delivered in person or by first class mail to the state agency within the time specified by
3 ORS 18.700 (2). Upon receiving a challenge, the state agency shall provide notice of the challenge
4 in the manner provided by ORS 18.702. Upon a sheriff receiving notice under ORS 18.702, the sheriff
5 shall proceed as provided by ORS 18.760, except that upon determination of the challenge by an
6 administrative law judge, the sheriff shall proceed as directed by the judge. Within 14 days after
7 receiving the challenge, the state agency must either concede the challenge or give the person
8 making the challenge opportunity for hearing. If the person making the challenge requests a hearing,
9 the agency shall immediately refer the challenge to the Office of Administrative Hearings estab-
10 lished under ORS 183.605. The hearing shall be conducted as soon as possible. Notwithstanding ORS
11 183.315, the hearing shall be conducted as a contested case hearing. An issue that was decided in
12 a previous hearing, or for which the debtor was previously afforded an opportunity for hearing, may
13 not be reconsidered.

14 (6) If a state agency is issuing a notice of garnishment for collection of a state tax, and the state
15 agency has reason to believe that the debtor intends to leave the state or do any other act that
16 would jeopardize collection of the tax, the state agency may issue a special notice of garnishment.
17 Any earnings, as defined in ORS 18.375, garnished under a special notice of garnishment are not
18 subject to a claim of exemption under ORS 18.385. A special notice of garnishment issued under this
19 subsection garnishes only that property of the debtor that is in the garnishee's possession, control
20 or custody at the time the special notice is delivered, including debts not yet due, and all wages
21 owed by the garnishee to the debtor at the time the special notice is delivered. A special notice of
22 garnishment does not act to garnish wages earned by the debtor by reason of services rendered to
23 the garnishee after the delivery of the special notice of garnishment.

24 (7) A special notice of garnishment issued under subsection (6) of this section shall contain a
25 statement indicating that it is a special notice of garnishment under subsection (6) of this section
26 and a statement reflecting the provisions of subsection (6) of this section. Notwithstanding ORS
27 18.854 (1), a wage exemption calculation form shall not be delivered to the garnishee with a special
28 notice of garnishment.

29 (8) Notwithstanding ORS 18.854 (1)(b), the Department of Revenue is not required to deliver a
30 warrant or true copy of a warrant with the notice of garnishment when garnishing property of a
31 debtor.

32 (9) Notwithstanding ORS 18.607 (4):

33 (a) A notice of garnishment issued by the Department of Revenue must include the name of the
34 person issuing the notice on behalf of the department, but need not be signed by that person.

35 (b) A notice of garnishment related to the overpayment of medical assistance as defined in ORS
36 414.025, or public assistance as defined in ORS 411.010, issued by the Department of Human Services
37 or the Oregon [*Health Authority*] **Department of Health** must include the name of the person is-
38 suing the notice on behalf of the Department of Human Services or [*authority*] **the Oregon De-**
39 **partment of Health**, but need not be signed by that person.

40 **SECTION 7.** ORS 25.381 is amended to read:

41 25.381. (1) Whenever services are being provided under ORS 25.080, support rights are not and
42 have not at any time during the past five months been assigned to this or another state, and no
43 arrearages under a support order are so assigned, the administrator shall provide, upon request of
44 an obligor or obligee, services sufficient to permit establishment of income withholding under ORS
45 25.378, including services necessary to establish a support payment record under ORS 25.164 and

1 25.167.

2 (2) Regardless of whether services are being provided under ORS 25.080, the administrator shall
 3 provide, upon request of an obligor or obligee, services sufficient to permit establishment of income
 4 withholding under ORS 25.378:

5 (a) For the payment of child support without the necessity of an application for support
 6 enforcement services under Title IV-D of the Social Security Act (42 U.S.C. 651 et seq.); and

7 (b) For the payment of spousal support if the obligee is receiving supplemental nutrition assist-
 8 ance or any other form of public assistance, as defined in ORS 411.010, from the Department of
 9 Human Services or medical assistance, as defined in ORS 414.025, from the Department of **Human**
 10 **Services** or the Oregon [*Health Authority*] **Department of Health**.

11 **SECTION 8.** ORS 25.550 is amended to read:

12 25.550. (1) The administrator may establish paternity of a child in the course of a support pro-
 13 ceeding under ORS 25.501 to 25.556 when both parents sign statements that paternity has not been
 14 legally established and that the male parent is the father of the child. The administrator may enter
 15 an order which establishes paternity.

16 (2) If the parent fails to file a response denying paternity and requesting a hearing within the
 17 time period allowed in ORS 25.511 (2), then the administrator, without further notice to the parent,
 18 may enter an order, in accordance with ORS 25.511 (7), which declares and establishes the parent
 19 as the legal father of the child.

20 (3) Any order entered pursuant to subsection (1) or (2) of this section establishes legal paternity
 21 for all purposes. The Center for Health Statistics of the Oregon [*Health Authority*] **Department of**
 22 **Health** shall amend the record of live birth for the child and issue a new certified copy of the record
 23 of live birth in the new name, if any, of the child. The original record of live birth shall be sealed
 24 and filed and may be opened only upon order of a court of competent jurisdiction.

25 (4)(a) If paternity is alleged under ORS 25.511 (3) and a written response denying paternity and
 26 requesting a hearing is received within the time period allowed in ORS 25.511 (2), or if the admin-
 27 istrator determines that there is a valid issue with respect to paternity of the child, the adminis-
 28 trator, subject to the provisions of subsections (5) and (6) of this section, shall certify the matter to
 29 the circuit court for a determination based upon the contents of the file and any evidence which
 30 may be produced at trial. The proceedings in court shall for all purposes be deemed suits in equity.
 31 The provisions of ORS 109.145 to 109.230 apply to proceedings certified to court by the administrator
 32 pursuant to this section.

33 (b) Any response denying paternity and requesting a hearing shall be sent by the enforcement
 34 office to the obligee by regular mail.

35 (5) An action to establish paternity initiated under ORS 25.501 to 25.556 shall not be certified
 36 to court for trial unless all of the following have occurred:

37 (a) Blood tests have been conducted;

38 (b) The results of the blood tests have been served upon the parties and notice has been given
 39 that an order establishing paternity will be entered unless a written objection is received within 30
 40 days; and

41 (c) A written objection to the entry of an order has been timely received from a party.

42 (6) Notwithstanding the provisions of subsection (5) of this section, the administrator:

43 (a) Shall certify the matter to court:

44 (A) Within 30 days of receipt by the administrator of a timely written objection to the entry of
 45 an order by a party under subsection (5)(c) of this section;

1 (B) When a party requests certification in writing after the administrator has received a party's
 2 written denial of paternity if at least 120 days have elapsed from receipt of the denial; or

3 (C) Upon receipt of blood test results with a cumulative paternity index of less than 99; and

4 (b) May certify the matter to court at any time under any other circumstances.

5 (7) If the blood tests conducted under ORS 109.250 to 109.262 result in a cumulative paternity
 6 index of 99 or greater, evidence of the tests, together with the testimony of the parent, shall be a
 7 sufficient basis upon which to establish paternity and the administrator may enter an order declar-
 8 ing the alleged father as the legal father of the child unless a party objects in writing to the entry
 9 of the order. The testimony of the parent may be presented by affidavit.

10 (8) Prior to certification to court, the administrator may attempt to resolve the issue of
 11 paternity by discovery conducted under the Oregon Rules of Civil Procedure. Unless otherwise
 12 specifically provided by statute, the proceedings shall be conducted under the Oregon Rules of Civil
 13 Procedure.

14 (9) When, in accordance with subsection (6)(a)(A) of this section, a party objects to the entry
 15 of an order and the blood tests conducted under ORS 109.250 to 109.262 result in a cumulative
 16 paternity index of 99 or greater, notwithstanding the party's objection, evidence of the tests, to-
 17 gether with the testimony of a parent, is a sufficient basis upon which to presume paternity for
 18 purposes of establishing temporary support under this section. The court shall, upon motion of any
 19 party, enter a temporary order requiring the alleged father to provide support pending the determi-
 20 nation of parentage by the court. In determining the amount of support, the court shall use the
 21 formula established under ORS 25.275.

22 **SECTION 9.** ORS 87.533 is amended to read:

23 87.533. A lien created by ORS 87.503 shall not be enforced so as to interfere with:

24 (1) Any assets or income allowed to the community spouse or dependent family member under
 25 42 U.S.C. 1396r-5(d) or any rule of the Department of Human Services or the Oregon [*Health Au-*
 26 *thority*] **Department of Health.**

27 (2) The priority given to the recovery of medical assistance payments under ORS 115.125 (1)(j)
 28 or (k) or other medical assistance claims under ORS 411.708, 411.795 and 416.350.

29 (3) The eligibility of a person for medical assistance or entitlement to Medicaid assistance pay-
 30 ments.

31 (4) The priority given to the recovery of cost of care payments under ORS 115.125 (1)(L), 179.620
 32 or 179.740.

33 **SECTION 10.** ORS 90.440 is amended to read:

34 90.440. (1) As used in this section:

35 (a) "Group recovery home" means a place that provides occupants with shared living facilities
 36 and that meets the description of a group home under 42 U.S.C. 300x-25.

37 (b) "Illegal drugs" includes controlled substances or prescription drugs:

38 (A) For which the tenant does not have a valid prescription; or

39 (B) That are used by the tenant in a manner contrary to the prescribed regimen.

40 (c) "Marijuana item" has the meaning given that term in ORS 475C.009.

41 (d) "Peace officer" means:

42 (A) A sheriff, constable, marshal or deputy;

43 (B) A member of a state or city police force;

44 (C) A police officer commissioned by a university under ORS 352.121 or 353.125; or

45 (D) An authorized tribal police officer as defined in ORS 181A.940.

1 (2)(a) Notwithstanding ORS 90.375 and 90.435, a group recovery home may terminate a tenancy
2 and peaceably remove a tenant without complying with ORS 105.105 to 105.168 if the tenant has
3 used or possessed alcohol, a marijuana item or illegal drugs within the preceding seven days.

4 (b) For purposes of this subsection, the following are sufficient proof that a tenant has used or
5 possessed alcohol, a marijuana item or illegal drugs:

6 (A) The tenant fails a test for alcohol, cannabis or illegal drug use;

7 (B) The tenant refuses a request made in good faith by the group recovery home that the tenant
8 take a test for alcohol, cannabis or illegal drug use; or

9 (C) Any person has personally observed the tenant using or possessing alcohol, a marijuana item
10 or illegal drugs.

11 (3) A group recovery home that undertakes the removal of a tenant under this section shall
12 personally deliver to the tenant a written notice that:

13 (a) Describes why the tenant is being removed;

14 (b) Describes the proof that the tenant has used or possessed alcohol, a marijuana item or illegal
15 drugs within the seven days preceding delivery of the notice;

16 (c) Specifies the date and time by which the tenant must move out of the group recovery home;

17 (d) Explains that if the removal was wrongful or in bad faith the tenant may seek injunctive
18 relief to recover possession under ORS 105.121 and may bring an action to recover monetary dam-
19 ages; and

20 (e) Gives contact information for the local legal services office and for the Oregon State Bar's
21 Lawyer Referral Service, identifying those services as possible sources for free or reduced-cost legal
22 services.

23 (4) A written notice in substantially the following form meets the requirements of subsection (3)
24 of this section:

25 _____

26 _____

27 This notice is to inform you that you must move out of _____ (insert address of group
28 recovery home) by _____ (insert date and time that is not less than 24 hours after delivery
29 of notice).

30 The reason for this notice is _____ (specify use or possession of alcohol, marijuana or
31 illegal drugs, as applicable, and dates of occurrence).

32 The proof of your use or possession is _____ (specify facts).

33 If you did not use or possess alcohol, marijuana or illegal drugs within the seven days before
34 delivery of this notice, if this notice was given in bad faith or if your group recovery home has not
35 substantially complied with ORS 90.440, you may be able to get a court to order the group recovery
36 home to let you move back in. You may also be able to recover monetary damages.

37 You may be eligible for free legal services at your local legal services office _____ (in-
38 sert telephone number) or reduced fee legal services through the Oregon State Bar at 1-800-452-7636.

39 _____

40 _____

41 (5) Within the notice period, a group recovery home shall allow a tenant removed under this
42 section to follow any emergency departure plan that was prepared by the tenant and approved by
43 the group recovery home at the time the tenancy began. If the removed tenant does not have an
44 emergency departure plan, a representative of the group recovery home shall offer to take the re-
45 moved tenant to a public shelter, detoxification center or similar location if existing in the commu-

1 nity.

2 (6) The date and time for moving out specified in a notice under subsection (3) of this section
 3 must be at least 24 hours after the date and time the notice is delivered to the tenant. If the tenant
 4 remains on the group recovery home premises after the date and time for moving out specified in
 5 the notice, the tenant is a person remaining unlawfully in a dwelling as described in ORS 164.255
 6 and not a person described in ORS 105.115. Only a peace officer may forcibly remove a tenant who
 7 remains on the group recovery home premises after the date and time specified for moving out.

8 (7) A group recovery home that removes a tenant under this section shall send a copy of the
 9 notice described in subsection (3) of this section to the Oregon [*Health Authority*] **Department of**
 10 **Health** no later than 72 hours after delivering the notice to the tenant.

11 (8) A tenant who is removed under subsection (2) of this section may obtain injunctive relief to
 12 recover possession and may recover an amount equal to the greater of actual damages or three
 13 times the tenant’s monthly rent if:

14 (a) The group recovery home removed the tenant in bad faith or without substantially complying
 15 with this section; or

16 (b) If removal is under subsection (2)(b)(C) of this section, the removal was wrongful because the
 17 tenant did not use or possess alcohol, a marijuana item or illegal drugs.

18 (9) Notwithstanding ORS 12.125, a tenant who seeks to obtain injunctive relief to recover pos-
 19 session under ORS 105.121 must commence the action to seek relief not more than 90 days after the
 20 date specified in the notice for the tenant to move out.

21 (10) In any court action regarding the removal of a tenant under this section, a group recovery
 22 home may present evidence that the tenant used or possessed alcohol, a marijuana item or illegal
 23 drugs within seven days preceding the removal, whether or not the evidence was described in the
 24 notice required by subsection (3) of this section.

25 (11) This section does not prevent a group recovery home from terminating a tenancy as pro-
 26 vided by any other provision of this chapter and evicting a tenant as provided in ORS 105.105 to
 27 105.168.

28 **SECTION 11.** ORS 92.337 is amended to read:

29 92.337. (1) The Real Estate Commissioner shall grant an exemption pursuant to this section if
 30 a subdivider or series partitioner submits on a form prepared by the commissioner, verification that:

31 (a) The subdivision or series partition is recorded pursuant to ORS 92.010 to 92.192;

32 (b) Each lot or parcel is situated on a surfaced roadway which, together with means for opera-
 33 tion and maintenance, meets the standards of the governing body of the local jurisdiction and is
 34 either a concrete or asphalt surface road which has right of way and improvements, including curbs
 35 and necessary and adequate drainage structures, or a road which meets alternative standards of the
 36 governing body of the local jurisdiction;

37 (c) The subdivision or series partition, where necessary, has drainage structures and fill de-
 38 signed to prevent flooding and approved by the appropriate governing body;

39 (d) Energy sources and telephone services for normal domestic use are economically available
 40 to the subdivision or series partition and are ready for hookup for each lot or parcel at time of sale
 41 or lease;

42 (e) Water is available for each lot or parcel at the time of sale or lease of each lot or parcel in
 43 quantity and quality for domestic use as determined by the Oregon [*Health Authority*] **Department**
 44 **of Health**;

45 (f) A municipally owned disposal system, an individual or collective subsurface sewage disposal

1 system to serve the lot or parcel, or a privately owned sewage disposal system is available for each
 2 lot or parcel at the time of sale or lease of each lot or parcel which meets the requirements of the
 3 Environmental Quality Commission;

4 (g) A surety bond, or bonds, or other security or agreements to complete the improvements is
 5 provided by the subdivider or series partitioner to the city or county having jurisdiction so that all
 6 of the subdivision or series partition improvements committed by the subdivider or series partitioner
 7 to the city or county will be completed; and

8 (h) Provisions, satisfactory to the commissioner, have been made for satisfaction of all liens and
 9 encumbrances existing against the subdivision or series partition which secure or evidence the
 10 payment of money.

11 (2) A subdivision or series partition granted exemption under this section shall be exempt from
 12 the provisions of ORS 92.305 to 92.495 and 92.820 except ORS 92.375, 92.385, 92.425, 92.427, 92.430,
 13 92.433, 92.455, 92.460, 92.465, 92.475, 92.485, 92.490 and 92.495.

14 (3) The commissioner may withdraw the exemption provided by this section if the commissioner
 15 determines that the subdivider or series partitioner has provided false information or omitted to
 16 state material facts to obtain the exemption or has failed to comply with any provision to which the
 17 subdivider or series partitioner is subject under subsections (1) and (2) of this section.

18 (4) In the event that any provision under subsection (1) of this section is not or cannot be sat-
 19 isfied and without invoking the power granted under subsection (3) of this section, the commissioner
 20 and the subdivider or series partitioner may mutually agree in writing upon a written disclosure of
 21 the condition that shall be provided to any prospective purchaser prior to the sale or lease of any
 22 interest in the subdivision or series partition to carry out the public policy stated in ORS 92.313.

23 (5) The form required by subsection (1) of this section shall be accompanied by a filing fee of
 24 \$100 plus \$10 for each lot, parcel or interest in the subdivision or series partition, with a maximum
 25 fee of \$500.

26 (6) For purposes of verification by the subdivider or series partitioner under subsection (1)(b),
 27 (c) and (g) of this section, a copy of the conditions imposed by the appropriate governing body will
 28 be sufficient.

29 **SECTION 12.** ORS 93.268 is amended to read:

30 93.268. (1) As used in this section, “encumbrance” has the meaning given that term in ORS
 31 411.692.

32 (2) A title insurance company or agent that discovers the presence of a request for notice of
 33 transfer or encumbrance pursuant to ORS 411.694 in the deed and mortgage records when perform-
 34 ing a title search on real property shall:

35 (a) Provide the state agency that filed the request with a notice of transfer or encumbrance of
 36 the real property within 30 days of a transfer or encumbrance that results in the issuance of a
 37 certificate of title insurance; and

38 (b) Disclose the presence of the request for notice of transfer or encumbrance in any report
 39 preliminary to, or any commitment to offer, a certificate of title insurance for the real property.

40 (3) If the Department of Human Services or the Oregon [*Health Authority*] **Oregon Department**
 41 **of Health** has caused to be recorded a termination of request for notice of transfer or encumbrance
 42 in the deed and mortgage records, a title insurance company or agent is no longer required to pro-
 43 vide the notice of transfer or encumbrance required by subsection (2)(a) of this section for the af-
 44 fected real property.

45 (4) A title insurance company or agent shall use the form adopted under ORS 411.694 or a form

1 substantially similar to that form when providing the notice required by subsection (2)(a) of this
2 section.

3 **SECTION 13.** ORS 97.210 is amended to read:

4 97.210. The body of any person who died of smallpox, diphtheria, scarlet fever or other disease
5 that the Oregon [*Health Authority*] **Department of Health**, by rule, may prescribe, shall not be
6 subject to the provisions of ORS 97.170 to 97.200.

7 **SECTION 14.** ORS 97.450 is amended to read:

8 97.450. (1)(a) Whenever any cemetery that is within the limits of any county, city or town has
9 been abandoned, or it is desirable to abandon such cemetery, the governing body of any county, if
10 the cemetery is owned by the county, or the corporate authorities of the city or town, if the ceme-
11 tery is owned by the city or town, or the trustees or directors, if the cemetery is owned by an as-
12 sociation or corporation, may order that such burial ground be discontinued, have the remains of
13 all persons interred in the cemetery moved to some other suitable place and provide for the removal
14 and reerection of all stones and monuments marking said graves. Each removal must be made in an
15 appropriate manner and in accordance with the directions of the Director of the Oregon [*Health*
16 *Authority*] **Department of Health**. Prior to any removal authorized under this section, written no-
17 tice must be given to the family, or next of kin of the deceased, if known, and if unknown, notice
18 of the removal shall be published for at least four successive weeks in a newspaper of general cir-
19 culation in the county in which the cemetery is located and twice in a newspaper with statewide
20 circulation.

21 (b) Any removal and the costs of the proceedings under this section shall be at the expense of
22 the county, city or town, individual, corporation or association owning the cemetery to be moved.

23 (2) Notwithstanding subsection (1)(a) of this section, a cemetery or burial ground containing
24 human remains that were interred before February 14, 1909, may not be discontinued or declared
25 abandoned or have remains removed from the burial ground or cemetery without prior notice to and
26 comment by the Oregon Commission on Historic Cemeteries. When commenting on a request to
27 discontinue or declare abandoned a cemetery or burial ground, the commission shall consider:

28 (a) The listing of the cemetery or burial ground under ORS 97.782;

29 (b) The historic significance of the cemetery or graves included in the request; and

30 (c) The findings of any archaeological survey of the cemetery or burial ground.

31 **SECTION 15.** ORS 97.977 is amended to read:

32 97.977. (1)(a) The Oregon [*Health Authority*] **Department of Health** may allow an organ pro-
33 curement organization to establish a donor registry.

34 (b) Only one donor registry may be established within this state.

35 (c) The donor registry shall comply with subsections (3) and (4) of this section.

36 (2) The Department of Transportation shall:

37 (a) Cooperate with a person who administers the donor registry established under subsection (1)
38 of this section for the purpose of transferring to the donor registry all relevant information regard-
39 ing a donor's making, amending or revoking an anatomical gift.

40 (b) When requested by the organ procurement organization that has established the donor regi-
41 stry in this state, the department shall electronically transfer to the organ procurement organiza-
42 tion the name, address, birthdate and donor designation listed on the driver license or identification
43 card of a person designated as a donor. The organ procurement organization shall treat the infor-
44 mation transferred from the department as confidential and may use the information only to expedite
45 the making of anatomical gifts authorized by the donor.

1 (3) The donor registry must:

2 (a) Allow a donor or other person authorized under ORS 97.955 to include on the donor registry
3 a statement or symbol that the donor has made, amended or revoked an anatomical gift;

4 (b) Be accessible to a procurement organization to allow the procurement organization to obtain
5 relevant information on the donor registry to determine, at or near death of the donor or a pro-
6 spective donor, whether the donor or prospective donor has made, amended or revoked an anatom-
7 ical gift; and

8 (c) Be accessible for purposes of this subsection seven days a week on a 24-hour basis.

9 (4) Personally identifiable information on the donor registry about a donor or prospective donor
10 may not be used or disclosed without the express consent of the donor, prospective donor or person
11 who made the anatomical gift for any purpose other than to determine, at or near death of the donor
12 or prospective donor, whether the donor or prospective donor has made, amended or revoked an
13 anatomical gift.

14 **SECTION 16.** ORS 105.580 is amended to read:

15 105.580. (1) Except as provided in subsection (3) of this section, if the existence of the nuisance
16 is established in the action, an order of abatement shall be entered as part of the general judgment
17 in the case.

18 (2) The order of abatement may direct the effectual closing of the premises, building or place
19 against its use for any purpose, and so keeping it closed for a period of one year, unless sooner re-
20 leased. The court shall not include provisions for the closing of the premises under the provisions
21 of this subsection unless that relief is specifically requested in the complaint.

22 (3) The court, if satisfied of an owner's good faith, shall enter no order of abatement as to that
23 owner if the court finds that the owner:

24 (a) Had no knowledge of the existence of the nuisance or has been making reasonable efforts
25 to abate the nuisance;

26 (b) Has not been guilty of any contempt of court in the proceedings; and

27 (c) Will make best efforts to immediately abate any nuisance that may exist and prevent it from
28 being a nuisance for a period of one year thereafter.

29 (4) Except for an order of abatement entered based on the manufacture of a controlled sub-
30 stance, if an order of abatement has been entered and an owner subsequently meets the require-
31 ments of this section, the order of abatement shall be canceled as to that owner.

32 (5) If the court enters an order under this section on the basis that the property was used for
33 the manufacture of a controlled substance, the court shall send a copy of the order to the Director
34 of the Oregon [*Health Authority*] **Department of Health**. The director or the director's designee
35 shall declare the property to be an illegal drug manufacturing site for purposes of ORS 453.855 to
36 453.912. An order of the court under this section shall not be canceled until the director or the
37 director's designee determines the property to be fit for use. Upon determining the property to be
38 fit for use, the director or designee shall notify the court, which shall cancel the abatement order.

39 **SECTION 17.** ORS 106.081 is amended to read:

40 106.081. When the county clerk issues a marriage license, the county clerk shall also give to the
41 licensees a pamphlet describing the medical condition known as fetal alcohol syndrome, its causes
42 and its effects. The pamphlet shall be provided to the counties by the Oregon [*Health Authority*]
43 **Department of Health** under ORS 431A.575 for distribution under this section.

44 **SECTION 18.** ORS 106.320 is amended to read:

45 106.320. (1) The Oregon [*Health Authority*] **Department of Health** shall prepare forms entitled:

1 (a) "Declaration of Domestic Partnership" meeting the requirements of ORS 106.325; and

2 (b) "Certificate of Registered Domestic Partnership."

3 (2) The [authority] **department** shall distribute the forms to each county clerk. The [authority]
4 **department** and each county clerk shall make the Declaration of Domestic Partnership forms
5 available to the public.

6 **SECTION 19.** ORS 109.094 is amended to read:

7 109.094. Upon the parentage of a child being established in the proceedings, a parent shall have
8 the same rights as a parent who is or was married to the mother of the child. The clerk of the court
9 shall certify the fact of parentage to the Center for Health Statistics of the Oregon [Health
10 Authority] **Department of Health**, and the Center for Health Statistics shall amend a record of live
11 birth for the child and issue a new certified copy of the record of live birth for the child.

12 **SECTION 20.** ORS 109.096 is amended to read:

13 109.096. (1) When the parentage of a child has not been established under ORS 109.065 or has
14 not been established or acknowledged under ORS 419B.609, the putative father is entitled to rea-
15 sonable notice in adoption or other court proceedings concerning the custody of the child, except
16 for juvenile court proceedings, if the petitioner knows, or by the exercise of ordinary diligence
17 should have known:

18 (a) That the child resided with the putative father at any time during the 60 days immediately
19 preceding the initiation of the proceeding, or at any time since the child's birth if the child is less
20 than 60 days old when the proceeding is initiated; or

21 (b) That the putative father repeatedly has contributed or tried to contribute to the support of
22 the child during the year immediately preceding the initiation of the proceeding, or during the pe-
23 riod since the child's birth if the child is less than one year old when the proceeding is initiated.

24 (2) Except as provided in subsection (3) or (4) of this section, a verified statement of the mother
25 of the child or of the petitioner, or an affidavit of another person with knowledge of the facts, filed
26 in the proceeding and asserting that the child has not resided with the putative father, as provided
27 in subsection (1)(a) of this section, and that the putative father has not contributed or tried to con-
28 tribute to the support of the child, as provided in subsection (1)(b) of this section, is sufficient proof
29 to enable the court to grant the relief sought without notice to the putative father.

30 (3) The putative father is entitled to reasonable notice in a proceeding for the adoption of the
31 child if notice of the initiation of filiation proceedings as required by ORS 109.225 was on file with
32 the Center for Health Statistics of the Oregon [Health Authority] **Department of Health** prior to
33 the child's being placed in the physical custody of a person or persons for the purpose of adoption
34 by them. If the notice of the initiation of filiation proceedings was not on file at the time of the
35 placement, the putative father is barred from contesting the adoption proceeding.

36 (4) Except as otherwise provided in subsection (3) of this section, the putative father is entitled
37 to reasonable notice in court proceedings concerning the custody of the child, other than juvenile
38 court proceedings, if notice of the initiation of filiation proceedings as required by ORS 109.225 was
39 on file with the Center for Health Statistics prior to the initiation of the proceedings.

40 (5) Notice under this section is not required to be given to a putative father who was a party
41 to a filiation proceeding under ORS 109.125 or to a proceeding to acknowledge or establish parent-
42 age of an Indian child under ORS 419B.609 that was dismissed or resulted in a finding that he was
43 not the father of the child.

44 (6) The notice required under this section shall be given in the manner provided in ORS 109.330.

45 (7) No notice given under this section need disclose the name of the mother of the child.

1 (8) A putative father has the primary responsibility to protect his rights, and nothing in this
 2 section shall be used to set aside an act of a permanent nature including, but not limited to,
 3 adoption or termination of parental rights, unless the father establishes within one year after the
 4 entry of the final judgment or order fraud on the part of a petitioner in the proceeding with respect
 5 to matters specified in subsections (1) to (5) of this section.

6 **SECTION 21.** ORS 109.225 is amended to read:

7 109.225. (1) After filing the petition, the petitioner shall cause the Center for Health Statistics
 8 of the Oregon [*Health Authority*] **Department of Health** to be served by mail with a notice setting
 9 forth the court in which the petition was filed, the date of the filing therein, the case number, the
 10 full name and address of the child, the date and place of the child's birth, or if the child is not yet
 11 born, the date and place of the child's conception and the probable date of the child's birth, the full
 12 names and addresses of the child's alleged parents, and the names and addresses of the petitioner
 13 and of the respondents in the proceedings.

14 (2) The Center for Health Statistics shall file immediately the notice, or a copy thereof, with the
 15 record of the birth of the child or in the same manner as its filing of records of birth if the center
 16 does not have a record of the birth. The center shall only provide the information contained in the
 17 notice to persons whose names appear in the notice or to persons or agencies showing a legitimate
 18 interest in the parent-child relationship including, but not limited to, parties to adoption, juvenile
 19 court or heirship proceedings.

20 **SECTION 22.** ORS 109.251 is amended to read:

21 109.251. As used in ORS 109.250 to 109.262, "blood tests" includes any test for genetic markers
 22 to determine parentage of a type generally acknowledged as reliable by accreditation bodies desig-
 23 nated by the Oregon [*Health Authority*] **Department of Health** in compliance with the United
 24 States Secretary of Health and Human Services, and performed by a laboratory approved by such
 25 accreditation body. "Blood tests" includes but is not limited to the Human Leucocyte Antigen Test,
 26 the deoxyribonucleic acid test and any test that extracts genetic material from any human tissue.

27 **SECTION 23.** ORS 109.675 is amended to read:

28 109.675. (1) A minor 14 years of age or older may obtain, without parental knowledge or consent,
 29 outpatient diagnosis or treatment of a mental or emotional disorder or a chemical dependency, ex-
 30 cluding methadone maintenance, by a physician or physician assistant licensed by the Oregon Med-
 31 ical Board, a psychologist licensed by the Oregon Board of Psychology, a nurse practitioner
 32 registered by the Oregon State Board of Nursing, a clinical social worker licensed by the State
 33 Board of Licensed Social Workers, a professional counselor or marriage and family therapist li-
 34 censed by the Oregon Board of Licensed Professional Counselors and Therapists, a naturopathic
 35 physician licensed by the Oregon Board of Naturopathic Medicine or a community mental health
 36 program established and operated pursuant to ORS 430.620 when approved to do so by the Oregon
 37 [*Health Authority*] **Department of Health** pursuant to rule.

38 (2) However, the person providing treatment shall have the parents of the minor involved before
 39 the end of treatment unless the parents refuse or unless there are clear clinical indications to the
 40 contrary, which shall be documented in the treatment record. The provisions of this subsection do
 41 not apply to:

42 (a) A minor who has been sexually abused by a parent; or

43 (b) An emancipated minor, whether emancipated under the provisions of ORS 109.510 and
 44 109.520 or 419B.550 to 419B.558 or, for the purpose of this section only, emancipated by virtue of
 45 having lived apart from the parents or legal guardian while being self-sustaining for a period of 90

1 days prior to obtaining treatment as provided by this section.

2 **SECTION 24.** ORS 109.680 is amended to read:

3 109.680. (1) As used in this section, “mental health care provider” means a physician or physi-
 4 cian assistant licensed by the Oregon Medical Board, psychologist licensed by the Oregon Board of
 5 Psychology, nurse practitioner registered by the Oregon State Board of Nursing, clinical social
 6 worker licensed under ORS 675.530, professional counselor or marriage and family therapist licensed
 7 by the Oregon Board of Licensed Professional Counselors and Therapists, naturopathic physician
 8 licensed under ORS chapter 685 or community mental health program established and operated
 9 pursuant to ORS 430.620 when approved to do so by the Oregon [*Health Authority*] **Department of**
 10 **Health** pursuant to rule.

11 (2)(a) A mental health care provider that is providing services to a minor pursuant to ORS
 12 109.675 may disclose relevant health information about the minor without the minor’s consent as
 13 provided in ORS 109.675 (2) and this subsection.

14 (b) If the minor’s condition has deteriorated or the risk of a suicide attempt has become such
 15 that inpatient treatment is necessary, or if the minor’s condition requires detoxification in a resi-
 16 dential or acute care facility, the minor’s mental health care provider may disclose the relevant in-
 17 formation regarding the minor’s diagnosis and treatment to the minor’s parent or legal guardian to
 18 the extent the mental health care provider determines the disclosure is clinically appropriate and
 19 will serve the best interests of the minor’s treatment.

20 (c) If the mental health care provider assesses the minor to be at serious and imminent risk of
 21 a suicide attempt but inpatient treatment is not necessary or practicable:

22 (A) The mental health care provider shall disclose relevant information about the minor to and
 23 engage in safety planning with the minor’s parent, legal guardian or other individuals the provider
 24 reasonably believes may be able to prevent or lessen the minor’s risk of a suicide attempt.

25 (B) The mental health care professional may disclose relevant information regarding the minor’s
 26 treatment and diagnosis that the mental health care professional determines is necessary to further
 27 the minor’s treatment to those organizations, including appropriate schools and social service enti-
 28 ties, that the mental health care provider reasonably believes will provide treatment support to the
 29 minor to the extent the mental health care provider determines necessary.

30 (d) Except as provided in ORS 109.675 (2) and paragraphs (a) and (b) of this subsection, if a
 31 mental health care provider has provided the minor with the opportunity to object to the disclosure
 32 and the minor has not expressed an objection, the mental health care provider may disclose infor-
 33 mation related to the minor’s treatment and diagnosis to individuals, including the minor’s parent
 34 or legal guardian, and organizations when the information directly relates to the individual’s or
 35 organization’s involvement in the minor’s treatment.

36 (3) Notwithstanding subsection (2)(c)(A) of this section, a mental health care provider is not re-
 37 quired to disclose the minor’s treatment and diagnosis information to an individual if the mental
 38 health care provider:

39 (a) Reasonably believes the individual has abused or neglected the minor or subjected the minor
 40 to domestic violence or may abuse or neglect the minor or subject the minor to domestic violence;

41 (b) Reasonably believes disclosure of the minor’s information to the individual could endanger
 42 the minor; or

43 (c) Determines that it is not in the minor’s best interest to disclose the information to the indi-
 44 vidual.

45 (4) Nothing in this section is intended to limit a mental health care provider’s authority to dis-

1 close information related to the minor with the minor's consent.

2 (5) If a mental health care provider discloses a minor's information as provided in subsection (1)
3 or (2) of this section in good faith, the mental health care provider is immune from civil liability for
4 making the disclosure without the consent of the minor.

5 **SECTION 25.** ORS 109.695 is amended to read:

6 109.695. For the purpose of carrying out the policy and intent of ORS 109.675 to 109.695 while
7 taking into account the respective rights of minors at risk of chemical dependency or mental or
8 emotional disorder and the rights and interests of parents or legal guardians of such minors, the
9 Oregon [*Health Authority*] **Department of Health** shall adopt rules for the implementation of ORS
10 109.675 to 109.695 by community mental health programs approved to do so. Such rules shall provide
11 for the earliest feasible involvement of the parents or guardians in the treatment plan consistent
12 with clinical requirements of the minor.

13 **SECTION 26.** ORS 111.215 is amended to read:

14 111.215. (1)(a) A notice required under ORS chapter 111, 112, 113, 114, 115, 116 or 117 must
15 contain the following:

16 (A) The name, address and telephone number of the person giving the notice and the nature of
17 that person's interest in the estate;

18 (B) A statement where objections may be filed and the deadline for filing those objections, if
19 any; and

20 (C) A statement that the objection must include a plain and concise statement of the basis for
21 the objection.

22 (b) The notice must be accompanied by copies of any relevant documents filed or to be filed with
23 the court.

24 (2)(a) Except as otherwise specifically provided in ORS chapter 111, 112, 113, 114, 115, 116 or
25 117, whenever notice is required in ORS chapter 111, 112, 113, 114, 115, 116 or 117, the petitioner
26 or other person filing the document shall cause notice to be given to the personal representative,
27 to each interested person whose interests may be affected by the substance of the document or the
28 grant or denial of the requested action or relief.

29 (b) If the person giving notice under this section knows that a person who is entitled to notice
30 under paragraph (a) of this subsection is represented by a fiduciary, the notice must also be given
31 to the person's fiduciary.

32 (c) If a person who is entitled to notice under paragraph (a) of this subsection is a minor, as that
33 term is defined in ORS 125.005, the notice must be given to the minor's parents and, if the minor is
34 14 years of age or older, to the minor.

35 (d) As used in this subsection, "parent" means a parent as defined in ORS 419A.004 whose rights
36 have not been terminated or whose rights were terminated but reinstated under ORS 419B.532.

37 (3) Except as otherwise specifically provided in ORS chapter 111, 112, 113, 114, 115, 116 or 117,
38 a notice described in subsection (1) or (2) of this section must be given in one or more of the fol-
39 lowing ways:

40 (a) By first class mail to the person's place of residence or business.

41 (b) By personal delivery at the person's place of residence or business.

42 (c) If the person consents in writing to electronic notice, or if the notice is being given to the
43 Department of Human Services or the Oregon [*Health Authority*] **Department of Health** and [*the*]
44 **each** department [*or authority*] has adopted rules allowing for the [*department or authority to*
45 *accept*] **acceptance of** electronic notice, by properly directed electronic mail.

1 (d) If the person has appeared by attorney or has requested that notice be sent to the person's
 2 attorney, by mailing or delivery to the person's attorney. If notice is given to a person's attorney
 3 consistent with this paragraph, the person giving notice is not required to also send notice to the
 4 person.

5 (e) If the place of residence or business of any person is not known or cannot be ascertained
 6 with reasonable diligence, by publishing a copy of the notice once in each of three consecutive
 7 weeks in a newspaper of general circulation in the county where the probate court sits.

8 (f) Upon good cause shown any other method determined by the court to be reasonably suitable
 9 under the circumstances and likely to result in receipt of the notice, including notice by electronic
 10 mail irrespective of whether the person has consented to electronic service.

11 (4)(a) Except as otherwise ordered by the court or specifically provided in ORS chapter 111, 112,
 12 113, 114, 115, 116 or 117, the notice described in subsection (1) of this section must be given no later
 13 than 15 days before the earlier of the date for filing objections to the petition or other pleading or
 14 the date set for the hearing.

15 (b) If a notice of time for filing objections or of the date set for a hearing is published as pro-
 16 vided in subsection (3)(e) of this section, the last date of publication of the notice shall be at least
 17 15 days before the earlier of the date for the filing of objections to the petition or motion or the date
 18 set for the hearing.

19 (5) Proof of the giving of notice described in subsection (1) of this section must be made at or
 20 before the hearing, if any, and filed in the proceeding.

21 (6) The time within which an act is to be done under ORS chapter 111, 112, 113, 114, 115, 116
 22 or 117 is determined under ORS 174.120 and 174.125.

23 **SECTION 27.** ORS 113.038 is amended to read:

24 113.038. (1) A petition for the appointment of a personal representative under ORS 113.035 may
 25 include a request for the compensation of the personal representative to be determined by a different
 26 method than as provided in ORS 116.173 (3). The petition must set forth specific facts showing that
 27 the compensation calculated under ORS 116.173 (3) would be inadequate to compensate the personal
 28 representative for the reasonable value of the personal representative's services. The court may
 29 grant the request if the court finds that compensation as provided in ORS 116.173 (3) would be in-
 30 adequate.

31 (2) If the petition includes a request for a different method of compensation under this section:

32 (a) The petitioner shall give notice and a copy of the petition to the distributees of the estate,
 33 the Department of Human Services and the Oregon [*Health Authority*] **Department of Health**. The
 34 notice shall allow 20 days for filing objections to the petition unless the court allows a different
 35 time.

36 (b) A judgment appointing a personal representative under ORS 113.035 may not be entered until
 37 the court has held a hearing on the petition including the request or the time for filing objections
 38 to the petition has expired without an objection being filed.

39 (3) If the court allows the petitioner's request for a different method of compensation under this
 40 section, the personal representative may, at any time prior to or at the time of the filing of the final
 41 account or the statement in lieu of the final account under ORS 116.083, elect to be compensated
 42 as provided in ORS 116.173 (3).

43 (4) Failure by the Department **of Human Services**, the [*authority*] **Oregon Department of**
 44 **Health** or a distributee to object to a request for a different method of compensation under this
 45 section does not preclude the Department **of Human Services**, the [*authority*] **Oregon Department**

1 **of Health** or a distributee from objecting to the amount of the personal representative's compen-
 2 sation set forth in the final account filed under ORS 116.083 on the basis that the compensation
 3 exceeds the reasonable value of the services actually provided by the personal representative.

4 **SECTION 28.** ORS 113.085 is amended to read:

5 113.085. (1) Except as provided in subsection (3) of this section, upon the filing of the petition
 6 under ORS 113.035, if there is no will or if there is a will and it has been proved, the court shall
 7 appoint a qualified person the court finds suitable as personal representative, giving preference in
 8 the following order:

9 (a) The personal representative named in the will.

10 (b) If the surviving spouse of the decedent is a distributee of the estate, the surviving spouse
 11 of the decedent or the nominee of the surviving spouse of the decedent.

12 (c) If the person is a distributee of the estate, a person who would be entitled to property of the
 13 decedent under intestate succession.

14 (d) Any other distributee of the estate.

15 (e) The Director of Human Services or the Director of the Oregon [*Health Authority*] **Depart-**
 16 **ment of Health**, or an attorney approved under ORS 113.086, if the decedent received public as-
 17 sistance as defined in ORS 411.010, received medical assistance as defined in ORS 414.025 or
 18 received care at an institution described in ORS 179.321 (1) and it appears that the assistance or the
 19 cost of care may be recovered from the estate of the decedent.

20 (f) The Department of Veterans' Affairs, if the decedent was a protected person under ORS
 21 406.050 (10) and the department has joined in the petition for such appointment.

22 (g) Any other person.

23 (2) Before the court appoints a personal representative under subsection (1)(b) to (g) of this
 24 section, the court may require the petitioner to make a reasonable attempt to notify persons of
 25 higher priority than the proposed personal representative under subsection (1)(b) to (g) of this sec-
 26 tion.

27 (3) Except as provided in subsection (4) of this section, the court shall appoint the State Treas-
 28 urer as personal representative if it appears that the decedent died wholly intestate and without
 29 known heirs. The Attorney General shall represent the State Treasurer in the administration of the
 30 estate. The State Treasurer shall deposit any funds received by the State Treasurer in the capacity
 31 of personal representative in accounts, separate and distinct from the General Fund, established in
 32 the State Treasury. Interest earned by such account shall be credited to that account.

33 (4) The court may appoint a person other than the State Treasurer to administer the estate of
 34 a decedent who died wholly intestate and without known heirs if the person filing a petition under
 35 ORS 113.035 attaches written authorization from the State Treasurer approving the filing of the
 36 petition by the person. Except as provided by rule adopted by the State Treasurer, the State
 37 Treasurer may consent to the appointment of another person to act as personal representative only
 38 if it appears after investigation that the estate is insolvent.

39 **SECTION 29.** ORS 113.086 is amended to read:

40 113.086. The Director of Human Services, or the director's designated representative, or the
 41 Director of the Oregon [*Health Authority*] **Department of Health**, or the director's designated rep-
 42 resentative, may approve in writing attorneys who are eligible to be appointed as personal repre-
 43 sentatives under ORS 113.085 if the decedent received public assistance as defined in ORS 411.010,
 44 received medical assistance as defined in ORS 414.025 or received care at an institution as defined
 45 in ORS 179.010, and it appears that the assistance or the cost of care may be recovered from the

1 estate of the decedent. An attorney approved under this section does not represent the Director of
 2 Human Services or the Director of the Oregon [*Health Authority*] **Department of Health** when ap-
 3 pointed as a personal representative.

4 **SECTION 30.** ORS 113.105 is amended to read:

5 113.105. (1)(a) Except as provided in subsections (2) to (5) of this section, the personal repre-
 6 sentative may not act, and letters may not be issued to the personal representative, until the per-
 7 sonal representative provides a bond to the clerk of the court in an amount set by the court. The
 8 bond must be for the security and benefit of all interested persons and must be conditioned upon the
 9 personal representative faithfully performing the duties of the position. The bond must be executed
 10 by a surety qualified under ORCP 82 D to G.

11 (b) The amount of the bond set by the court under this subsection must be adequate to protect
 12 interested persons. In setting the amount of the bond, the court shall consider:

13 (A) The nature, liquidity and apparent value of the assets of the estate.

14 (B) The anticipated income during administration.

15 (C) The probable indebtedness and taxes.

16 (2) Subsection (1) of this section does not apply if:

17 (a) The will provides that no bond is required, but the court may, for good cause, require a bond
 18 notwithstanding any provision in a will that no bond is required;

19 (b) The personal representative is the sole heir or devisee, but the court may, for good cause,
 20 require a bond notwithstanding the fact that the personal representative is the sole heir or devisee;

21 (c) The personal representative is the State Treasurer, the Department of Veterans' Affairs, the
 22 Director of Human Services, the Director of the Oregon [*Health Authority*] **Department of Health**
 23 or a person approved under ORS 113.085 or 113.086; or

24 (d) The petition for appointment of the personal representative states that no assets of the estate
 25 are known to the petitioner.

26 (3) If no bond was required under subsection (2)(d) of this section and assets of the estate later
 27 come into the possession or knowledge of the personal representative, the personal representative
 28 shall, within 30 days after filing the inventory or supplemental inventory first showing assets of the
 29 estate, file a motion to set or waive the bond as provided in this section.

30 (4) Upon a request by the personal representative, the court may waive the requirement of a
 31 bond if:

32 (a) The request states the reasons why the waiver is requested; and

33 (b) The request describes the known creditors of the estate.

34 (5) The court may waive or reduce the requirement of a bond to the extent that:

35 (a) The personal representative provides written confirmation from a financial institution that
 36 property of the estate is held by the financial institution subject to withdrawal only on order of the
 37 court; or

38 (b) The court restricts the sale, encumbrance or other disposition of property of the estate
 39 without prior court approval.

40 (6) Nothing in this section affects the provisions of ORS 709.240, relating to a trust company
 41 acting as personal representative.

42 **SECTION 31.** ORS 113.145 is amended to read:

43 113.145. (1) Upon appointment a personal representative shall deliver or mail to the devisees,
 44 heirs and the persons described in ORS 113.035 (8) and (9) who were required to be named in the
 45 petition for appointment of a personal representative, at the addresses shown in the petition, infor-

1 mation that must include:

2 (a) The title of the court in which the estate proceeding is pending and the clerk's file number;

3 (b) The name of the decedent and the place and date of the death of the decedent;

4 (c) Whether or not a will of the decedent has been admitted to probate;

5 (d) The name and address of the personal representative and the attorney of the personal rep-
6 resentative;

7 (e) The date of the appointment of the personal representative;

8 (f) A statement advising the devisee, heir or other interested person that the rights of the
9 devisee, heir or other interested person may be affected by the proceeding and that additional in-
10 formation may be obtained from the records of the court, the personal representative or the attorney
11 for the personal representative;

12 (g) If information under this section is required to be delivered or mailed to a person described
13 in ORS 113.035 (8), a statement that the rights of the person in the estate may be barred unless the
14 person proceeds as provided in ORS 113.075 within four months of the delivery or mailing of the
15 information; and

16 (h) If information under this section is required to be delivered or mailed to a person described
17 in ORS 113.035 (9), a statement that the rights of the person in the estate may be barred unless the
18 person proceeds as provided in ORS 112.049 within four months of the delivery or mailing of the
19 information.

20 (2) If the personal representative is a devisee, heir or other interested person named in the pe-
21 tition the personal representative is not required to deliver or mail the information under this sec-
22 tion to the personal representative.

23 (3) The failure of the personal representative to give information under this section is a breach
24 of duty to the persons concerned, but does not affect the validity of the personal representative's
25 appointment, duties or powers or the exercise of duties or powers.

26 (4) Within 30 days after the date of appointment a personal representative shall cause to be filed
27 in the estate proceeding proof of the delivery or mailing required by this section or a waiver of
28 notice as provided under ORS 111.225. The proof must include a copy of the information delivered
29 or mailed and the names of the persons to whom it was delivered or mailed.

30 (5) If before the filing of the final account the personal representative has actual knowledge that
31 the petition did not include the name and address of any person described in ORS 113.035 (4), (5),
32 (7), (8) or (9), the personal representative shall:

33 (a) Make reasonable efforts under the circumstances to ascertain each of those names and ad-
34 dresses;

35 (b) Promptly deliver or mail information specified in subsection (1) of this section to each of
36 those persons located after the filing of the petition and before the filing of the final account; and

37 (c) File in the estate proceeding, on or before filing the final account under ORS 116.083, proof
38 of compliance with this subsection or a waiver of notice as provided under ORS 111.225.

39 (6) Within 30 days after the appointment of a personal representative, the personal represen-
40 tative must mail or deliver the information specified in subsection (1) of this section and a copy of
41 the death record of the decedent to the Department of Human Services and the Oregon [Health
42 Authority] **Department of Health** or as otherwise provided by rule [*adopted by the department and*
43 *the authority*].

44 **SECTION 32.** ORS 114.305 is amended to read:

45 114.305. Subject to the provisions of ORS 97.130 (2) and (11) and except as restricted or other-

1 wise provided by the will of the decedent, a document of anatomical gift under ORS 97.965 or by
 2 court order, a personal representative, acting reasonably for the benefit of interested persons, is
 3 authorized to:

4 (1) Direct and authorize disposition of the remains of the decedent pursuant to ORS 97.130 and
 5 incur expenses for the funeral in a manner suitable to the condition in life of the decedent. Only
 6 those funeral expenses necessary for a plain and decent funeral may be paid from the estate if the
 7 assets are insufficient to pay the claims of the Department of Human Services and the Oregon
 8 *[Health Authority]* **Department of Health** for the net amount of public assistance, as defined in ORS
 9 411.010, or medical assistance, as defined in ORS 414.025, paid to or for the decedent and for care
 10 and maintenance of any decedent who was at a state institution to the extent provided in ORS
 11 179.610 to 179.770.

12 (2) Retain assets owned by the decedent pending distribution or liquidation.

13 (3) Receive assets from fiduciaries or other sources.

14 (4) Complete, compromise or refuse performance of contracts of the decedent that continue as
 15 obligations of the estate, as the personal representative may determine under the circumstances. In
 16 performing enforceable contracts by the decedent to convey or lease real property, the personal
 17 representative, among other courses of action, may:

18 (a) Execute and deliver a deed upon satisfaction of any sum remaining unpaid or upon receipt
 19 of the note of the purchaser adequately secured; or

20 (b) Deliver a deed in escrow with directions that the proceeds, when paid in accordance with
 21 the escrow agreement, be paid to the successors of the decedent, as designated in the escrow
 22 agreement.

23 (5) Satisfy written pledges of the decedent for contributions, whether or not the pledges consti-
 24 tuted binding obligations of the decedent or were properly presented as claims.

25 (6) Deposit funds not needed to meet currently payable debts and expenses, and not immediately
 26 distributable, in bank or savings and loan association accounts, or invest the funds in bank or
 27 savings and loan association certificates of deposit, or federally regulated money-market funds and
 28 short-term investment funds suitable for investment by trustees under ORS 130.750 to 130.775, or
 29 short-term United States Government obligations.

30 (7) Abandon burdensome property when it is valueless, or is so encumbered or is in a condition
 31 that it is of no benefit to the estate.

32 (8) Vote stocks or other securities in person or by general or limited proxy.

33 (9) Pay calls, assessments and other sums chargeable or accruing against or on account of se-
 34 curities.

35 (10) Sell or exercise stock subscription or conversion rights.

36 (11) Consent, directly or through a committee or other agent, to the reorganization, consol-
 37 idation, merger, dissolution or liquidation of a corporation or other business enterprise.

38 (12) Hold a security in the name of a nominee or in other form without disclosure of the interest
 39 of the estate, but the personal representative is liable for any act of the nominee in connection with
 40 the security so held.

41 (13) Insure the assets of the estate against damage and loss, and insure the personal represen-
 42 tative against liability to third persons.

43 (14) Advance or borrow money with or without security.

44 (15) Compromise, extend, renew or otherwise modify an obligation owing to the estate. A per-
 45 sonal representative who holds a mortgage, pledge, lien or other security interest may accept a

1 conveyance or transfer of the encumbered asset in lieu of foreclosure in full or partial satisfaction
 2 of the indebtedness.

3 (16) Accept other real property in part payment of the purchase price of real property sold by
 4 the personal representative.

5 (17) Pay taxes, assessments and expenses incident to the administration of the estate.

6 (18) Employ qualified persons, including attorneys, accountants and investment advisers, to ad-
 7 vise and assist the personal representative and to perform acts of administration, whether or not
 8 discretionary, on behalf of the personal representative.

9 (19) Prosecute or defend actions, claims or proceedings in any jurisdiction for the protection of
 10 the estate and of the personal representative in the performance of duties as personal represen-
 11 tative.

12 (20) Prosecute claims of the decedent including those for personal injury or wrongful death.

13 (21) Continue any business or venture in which the decedent was engaged at the time of death
 14 to preserve the value of the business or venture.

15 (22) Incorporate or otherwise change the business form of any business or venture in which the
 16 decedent was engaged at the time of death.

17 (23) Discontinue and wind up any business or venture in which the decedent was engaged at the
 18 time of death.

19 (24) Provide for exoneration of the personal representative from personal liability in any con-
 20 tract entered into on behalf of the estate.

21 (25) Satisfy and settle claims and distribute the estate as provided in ORS chapters 111, 112, 113,
 22 114, 115, 116 and 117.

23 (26) Perform all other acts required or permitted by law or by the will of the decedent.

24 **SECTION 33.** ORS 114.325 is amended to read:

25 114.325. (1) Except as provided in subsection (2) of this section, and subject to ORS 113.105, a
 26 personal representative has power to sell, mortgage, lease or otherwise deal with property of the
 27 estate without notice, hearing or court order.

28 (2) Exercise of the power of sale by the personal representative is improper, except after notice,
 29 hearing and order of the court, if:

30 (a) The sale is in contravention of the provisions of the will; or

31 (b) The property is specifically devised and the will does not authorize its sale.

32 (3) Notwithstanding ORS chapters 270, 273 and 274, an estate administrator of the State Treas-
 33 urer appointed under ORS 113.235 or the Director of Human Services or Director of the Oregon
 34 [*Health Authority*] **Department of Health** serving as a personal representative may deal with
 35 property of the estate as a personal representative under this section.

36 **SECTION 34.** ORS 114.456 is amended to read:

37 114.456. (1) A personal representative appointed under ORS 114.453 shall deliver or mail to the
 38 beneficiaries at their last-known address information that must include:

39 (a) The title of the court in which the estate proceeding is pending and the case number;

40 (b) The name of the decedent and the place and date of the death of the decedent;

41 (c) The name and address of the personal representative, the attorney representing the personal
 42 representative in the wrongful death action and the attorney representing the personal represen-
 43 tative in the probate proceeding;

44 (d) The date of the appointment of the personal representative; and

45 (e) A statement advising the beneficiaries that the rights of the beneficiaries may be affected

1 by the proceeding and that additional information may be obtained from the records of the court,
 2 the personal representative or the attorney for the personal representative.

3 (2) If the personal representative is a beneficiary named in the petition, the personal represen-
 4 tative is not required to deliver or mail the information under this section to the personal repre-
 5 sentative.

6 (3) Within 30 days after the date of appointment the personal representative shall cause to be
 7 filed in the estate proceeding proof of the delivery or mailing required by this section or a waiver
 8 of notice as provided under ORS 111.225. The proof must include a copy of the information delivered
 9 or mailed and the names of the persons to whom it was delivered or mailed.

10 (4) If before the filing of the motion to close the estate under ORS 114.462 the personal repre-
 11 sentative has actual knowledge that the petition did not include the name and address of any ben-
 12 efiary, the personal representative shall:

13 (a) Make reasonable efforts under the circumstances to ascertain the names and addresses of
 14 the beneficiaries that were not included;

15 (b) Promptly deliver or mail information specified in subsection (1) of this section to each ben-
 16 efiary located after the filing of the petition and before the filing of the motion to close the estate
 17 under ORS 114.462 and to the State Treasurer; and

18 (c) File in the estate proceeding, on or before filing the motion to close the estate under ORS
 19 114.462, proof of compliance with this subsection or a waiver of notice as provided under ORS
 20 111.225.

21 (5) Within 30 days after the appointment of the personal representative, the personal represen-
 22 tative must mail or deliver the following information to the Department of Human Services and the
 23 Oregon *[Health Authority]* **Department of Health**:

24 (a) The title of the court in which the estate proceeding is pending and the case number;

25 (b) The name of the decedent and the place and date of the death of the decedent;

26 (c) The name and address of the personal representative, the attorney representing the personal
 27 representative in the wrongful death action and the attorney representing the personal represen-
 28 tative in the probate proceeding;

29 (d) The date of the appointment of the personal representative; and

30 (e) Any other information required by rule *[of the department or the authority]*.

31 **SECTION 35.** ORS 114.515, as amended by section 6, chapter 68, Oregon Laws 2022, is amended
 32 to read:

33 114.515. (1) If the estate of a decedent meets the requirements of ORS 114.510, any of the fol-
 34 lowing persons may file a small estate affidavit with the clerk of the probate court in any county
 35 where there is venue for a proceeding seeking the appointment of a personal representative for the
 36 estate:

37 (a) One or more of the claiming successors of the decedent.

38 (b) If the decedent died testate, any person named as personal representative in the decedent's
 39 will.

40 (c) The Director of Human Services, the Director of the Oregon *[Health Authority]* **Department**
 41 **of Health** or an attorney approved under ORS 114.517, if the decedent received public assistance
 42 as defined in ORS 411.010, received medical assistance as defined in ORS 414.025 or received care
 43 at an institution as defined in ORS 179.010, and it appears that the assistance or the cost of care
 44 may be recovered from the estate of the decedent.

45 (2) A person may not file a small estate affidavit if:

1 (a) The person would be disqualified from acting as a personal representative under ORS
2 113.095; or

3 (b) The person has been convicted of a felony in Oregon or in another jurisdiction.

4 (3) A small estate affidavit may not be filed until 30 days after the death of the decedent.

5 (4) A small estate affidavit must contain the information required in ORS 114.525 and shall be
6 made a part of the probate records. If the affiant is an attorney approved by the Director of Human
7 Services or the Director of the Oregon [*Health Authority*] **Department of Health**, a copy of the
8 document approving the attorney must be attached to the affidavit.

9 (5) The clerk of the probate court shall charge and collect the fee established under ORS 21.145
10 for the filing of a small estate affidavit, except that a fee may not be charged or collected for the
11 filing of an amended affidavit.

12 (6)(a) Except as provided in subsection (7) of this section, the affiant shall file an amended small
13 estate affidavit in the following circumstances:

14 (A) To correct a material error or omission in a previous affidavit.

15 (B) To include property not described in a previous affidavit.

16 (b) The amended affidavit must include all information required under ORS 114.525 and state the
17 value of the property as of the date used to prepare the original affidavit.

18 (7) If the fair market value of the property of the estate exceeds the value limitations for a small
19 estate under ORS 114.510, an affiant may not file an amended small estate affidavit under subsection
20 (6) of this section and the affiant's authority with regard to the estate is terminated, except that the
21 affiant shall deliver assets of the estate in the affiant's possession upon request by a personal rep-
22 resentative appointed under ORS 113.085. The affiant shall promptly file notice with the court that
23 the estate of the decedent is not subject to ORS 114.505 to 114.560 and shall serve a copy of the
24 notice on each person who received a copy of the previous affidavit.

25 (8) The clerk of the probate court may acknowledge a small estate affidavit upon presentation
26 of the identification of the affiant and the affiant's statement under penalty of perjury.

27 **SECTION 36.** ORS 114.517 is amended to read:

28 114.517. The Director of Human Services, or the director's designated representative, or the
29 Director of the Oregon [*Health Authority*] **Department of Health**, or the director's designated rep-
30 resentative, may approve in writing attorneys who are eligible to file a small estate affidavit if the
31 decedent received public assistance as defined in ORS 411.010, received medical assistance as de-
32 fined in ORS 414.025 or received care at an institution as defined in ORS 179.010, and it appears that
33 the assistance or the cost of care may be recovered from the estate of the decedent. An attorney
34 approved under this section does not represent the Director of Human Services or the Director of
35 the Oregon [*Health Authority*] **Department of Health** when the attorney files a small estate affi-
36 davit.

37 **SECTION 37.** ORS 114.525 is amended to read:

38 114.525. (1) A small estate affidavit must:

39 (a) Contain a notice in substantially the following form, printed in at least 14-point bold type
40 immediately below the caption on the first page of the small estate affidavit:

41 _____

42
43 NOTICE OF DUTY TO PAY DEBT OR
44 TURN OVER PROPERTY
45

1 To: Any person to whom a copy of this small estate affidavit is mailed or delivered.

2 Under ORS 114.535, if you owe a debt to the decedent or have personal property of the decedent,
 3 you must pay the debt or turn over the property to the affiant. If you refuse, the affiant may ask
 4 the court to compel you to pay the debt or turn over the property and you could be responsible for
 5 the affiant's attorney fees.

6 _____
 7
 8 (b) State the name and post-office address of the affiant.

9 (c) State the authority under which the affiant is filing the small estate affidavit, as provided in
 10 ORS 114.515.

11 (d) State that the small estate affidavit is made under ORS 114.505 to 114.560.

12 (e) State the name, age, domicile and post-office address and last four digits of the Social Secu-
 13 rity number of the decedent.

14 (f) State the date and place of the decedent's death.

15 (g) Describe and state the fair market value of all property in the estate, valued as provided in
 16 ORS 114.510, including a legal description of any real property.

17 (h) State that no personal representative of the estate has been appointed in Oregon, that there
 18 is no pending petition for appointment of a personal representative of the estate in Oregon and that
 19 the estate is not currently being administered in Oregon.

20 (i) State whether the decedent died testate or intestate.

21 (j) List the heirs of the decedent and the last address of each heir as known to the affiant, and
 22 state that a copy of the affidavit showing the date of filing and a copy of the will, if the decedent
 23 died testate, will be delivered to each heir or mailed to the heir at the last-known address.

24 (k) If the decedent died testate, list the devisees of the decedent and the last address of each
 25 devisee as known to the affiant and state that a copy of the will and a copy of the affidavit showing
 26 the date of filing will be delivered to each devisee or mailed to the devisee at the last-known ad-
 27 dress.

28 (L) State the interest in the property described in the affidavit to which each heir or devisee is
 29 entitled and the interest, if any, that will escheat.

30 (m) State that reasonable efforts have been made to ascertain creditors of the estate.

31 (n) List the claims against the estate that are undisputed by the affiant and that remain unpaid
 32 or on account of which the affiant or any other person is entitled to reimbursement from the estate,
 33 including the known or estimated amounts of the claims and the names and addresses of the credi-
 34 tors as known to the affiant, and state that a copy of the affidavit showing the date of filing will
 35 be delivered to each creditor who has not been paid in full or mailed to the creditor at the last-
 36 known address.

37 (o) Separately list the name and address of each person known to the affiant to assert a claim
 38 against the estate that the affiant disputes and the known or estimated amount of the claims dis-
 39 puted by the affiant and state that a copy of the affidavit showing the date of filing will be delivered
 40 to each such person or mailed to the person at the last-known address.

41 (p)(A) State the mailing address for presentment of claims; and

42 (B) If the affiant wishes to authorize creditors to present claims by electronic mail or facsimile
 43 communication, state the electronic mail address or facsimile number for presentment of claims.

44 (q) List anticipated administrative expenses and attorney fees, if any.

45 (r) State that the affiant is not disqualified from acting as an affiant under ORS 114.515 (2).

1 (s) State that a copy of the affidavit showing the date of filing and a copy of the death record
 2 will be mailed or delivered to the Department of Human Services or to the Oregon [*Health*
 3 *Authority*] **Department of Health**, as prescribed by rule [*by the department or authority*].

4 (t) State, to the best of the affiant's knowledge, whether the decedent was incarcerated in a
 5 correctional facility in this state at any time in the 15 years before the decedent's death and, if the
 6 decedent was incarcerated in a correctional facility in this state at any time in the 15 years before
 7 the decedent's death, state that a copy of the affidavit showing the date of filing and a copy of the
 8 death record will be mailed or delivered to the Department of Corrections.

9 (u) State that undisputed claims against the estate will be paid as provided in ORS 114.545.

10 (v) State that claims against the estate not listed in the affidavit or in amounts larger than those
 11 listed in the affidavit may be barred unless:

12 (A) A claim is presented to the affiant within four months of the filing of the affidavit or
 13 amended affidavit at the address, electronic mail address or facsimile number stated in the affidavit
 14 for presentation of claims; or

15 (B) A petition for appointment of a personal representative of the estate is filed within the time
 16 allowed under ORS 114.555.

17 (w) If the affidavit lists one or more claims that the affiant disputes, state that any such claim
 18 may be barred unless:

19 (A) A petition for summary determination is filed within four months of the filing of the affidavit;
 20 or

21 (B) A petition for appointment of a personal representative of the estate is filed within the time
 22 allowed under ORS 114.555.

23 (2) The affiant shall file a certified copy of the death record of the decedent as a confidential
 24 document.

25 (3) If the decedent died testate, the affiant shall file simultaneously with the small estate affi-
 26 davit:

27 (a)(A) The original will; or

28 (B) If the original will is filed in an estate proceeding in another jurisdiction, a certified copy
 29 of the original will; and

30 (b) Proof of the will meeting the requirements of ORS 113.055.

31 **SECTION 38.** ORS 114.535 is amended to read:

32 114.535. (1) The affiant may deliver a certified copy of a small estate affidavit to any person who
 33 has possession of personal property belonging to the estate or who was indebted to the decedent.
 34 Except as provided in this section, upon receipt of the certified copy, the person shall pay the debt
 35 or transfer, deliver, provide access to and allow possession of the personal property to the affiant.

36 (2) Subject to ORS 114.537, if a certified copy of a small estate affidavit is delivered under sub-
 37 section (1) of this section to a person that controls access to personal property belonging to the
 38 estate of the decedent, including personal property held in a safe deposit box for which the decedent
 39 was the sole lessee or the last surviving lessee, the person shall:

40 (a) Provide the affiant with access to the decedent's personal property; and

41 (b) Allow the affiant to take possession of the personal property.

42 (3) Subject to ORS 114.537, if a certified copy of a small estate affidavit is delivered under sub-
 43 section (1) of this section to a person who owes a debt to the decedent or has received property of
 44 the decedent under ORS 446.616, 708A.430, 723.466 or 803.094, or a similar statute providing for the
 45 transfer of property of an estate that is not being probated, the person shall pay the debt or transfer,

1 deliver, provide access to or allow possession of the property to the affiant if the person would be
 2 required to pay the debt or transfer, deliver, provide access to or allow possession of the property
 3 to a personal representative of the estate.

4 (4) Any person that pays a debt owing to the decedent or transfers, delivers, provides access to
 5 or allows possession of property of a decedent in the manner provided by this section is discharged
 6 and released from any liability or responsibility for the debt or property in the same manner and
 7 with the same effect as if the debt had been paid or the property had been transferred or delivered
 8 to a personal representative of the estate of the decedent.

9 (5) The affiant may deliver a certified copy of a small estate affidavit to a transfer agent of any
 10 corporate security registered in the name of the decedent. The transfer agent shall change the reg-
 11 istered ownership on the books of the corporation to the affiant or the person named in the affidavit
 12 entitled to it, as directed by the affiant.

13 (6)(a) If a person to whom a certified copy of a small estate affidavit is delivered under this
 14 section refuses to pay a debt or deliver, transfer, provide access to or allow possession of personal
 15 property as required by this section, the affiant may serve a written demand by certified mail on the
 16 person to pay the debt or deliver, transfer, provide access to or allow possession of the personal
 17 property. The demand must state that, if the person fails to pay the debt or deliver, transfer, provide
 18 access to or allow possession of the personal property, the affiant may file a motion to compel
 19 payment of the debt or delivery of, transfer of or access to the personal property.

20 (b) If the person fails to pay the debt or deliver, transfer, provide access to or allow possession
 21 of the personal property within 30 days after service of a demand under paragraph (a) of this sub-
 22 section, the affiant may file a motion to compel payment of the debt or delivery of, transfer of or
 23 access to the personal property. The court may enter a judgment awarding reasonable attorney fees
 24 to the prevailing party if the court finds that the affiant filed the motion without an objectively
 25 reasonable basis or the person refused to pay the debt or deliver, transfer, provide access to or al-
 26 low possession of any personal property without an objectively reasonable basis.

27 (7) If a small estate affidavit was signed by the Director of Human Services, the Director of the
 28 Oregon [*Health Authority*] **Department of Health** or an attorney approved under ORS 114.517, the
 29 Director of Human Services, the Director of the Oregon [*Health Authority*] **Department of Health**
 30 or the attorney may certify a copy of the affidavit for the purposes described in this section.

31 (8) Notwithstanding ORS chapters 270, 273 and 274, an estate administrator of the State Treas-
 32 urer appointed under ORS 113.235 or the Director of Human Services or Director of the Oregon
 33 [*Health Authority*] **Department of Health** serving as an affiant may deal with property of the estate
 34 as an affiant under this section.

35 **SECTION 39.** ORS 115.125 is amended to read:

36 115.125. (1) If the applicable assets of the estate are insufficient to pay all expenses and claims
 37 in full, the personal representative shall make payment in the following order:

38 (a) Support of spouse and children, subject to the limitations imposed by ORS 114.065.

39 (b) Expenses of administration of the estate, and subject to preferences established under federal
 40 law, expenses of administration of any protective proceeding in which the decedent was the pro-
 41 tected person authorized by the court in the protective proceeding.

42 (c) Expenses of a plain and decent funeral.

43 (d) Debts and taxes with preference under federal law.

44 (e) Reasonable and necessary medical and hospital expenses of the last illness of the decedent,
 45 including compensation of persons attending the decedent to which the persons are otherwise enti-

1 tled by law.

2 (f) Taxes with preference under the laws of this state that are due and payable while possession
3 of the estate of the decedent is retained by the personal representative.

4 (g) Debts owed employees of the decedent for labor performed within 90 days immediately pre-
5 ceding the date of death of the decedent.

6 (h) Child support arrearages.

7 (i) The claim of the Department of Veterans' Affairs under ORS 406.100, including a claim the
8 waiver of which was retracted by the Director of Veterans' Affairs under ORS 406.110.

9 (j) The claim of the Department of Human Services or the Oregon [*Health Authority*] **Depart-**
10 **ment of Health** for the amount of the state's monthly contribution to the federal government to
11 defray the costs of outpatient prescription drug coverage provided to a person who is eligible for
12 Medicare Part D prescription drug coverage and who receives benefits under the state medical as-
13 sistance program or Title XIX of the Social Security Act.

14 (k) The claim of the Department of Human Services or the Oregon [*Health Authority*] **Depart-**
15 **ment of Health** for the net amount of assistance properly or improperly paid to or for the decedent,
16 in the following order:

17 (A) Public assistance, as defined in ORS 411.010, and medical assistance, as defined in ORS
18 414.025, funded entirely by moneys from the General Fund; and

19 (B) Public assistance, as defined in ORS 411.010, and medical assistance, as defined in ORS
20 414.025, funded by a combination of state and federal funds.

21 (L) The claim of the Department of Human Services or the Oregon [*Health Authority*] **Depart-**
22 **ment of Health** for the care and maintenance of the decedent at a state institution, as provided in
23 ORS 179.610 to 179.770.

24 (m) The claim of the Department of Corrections for care and maintenance of any decedent who
25 was at a state institution to the extent provided in ORS 179.610 to 179.770.

26 (n) All other claims against the estate.

27 (2) If the applicable assets of the estate are insufficient to pay in full all expenses or claims of
28 any one class specified in subsection (1) of this section, each expense or claim of that class shall
29 be paid only in proportion to the amount thereof.

30 **SECTION 40.** ORS 115.195 is amended to read:

31 115.195. (1) A claim that has been disallowed by the personal representative may not be allowed
32 by any court except upon some competent, satisfactory evidence other than the testimony of the
33 claimant.

34 (2)(a) Notwithstanding subsection (1) of this section, claims for recovery of public assistance as
35 defined by ORS 411.010 or medical assistance as defined in ORS 414.025 may be allowed based on
36 evidence in the form of documents from the Department of Human Services or the Oregon [*Health*
37 *Authority*] **Department of Health** that contain information relating to that public assistance or
38 medical assistance, such as the date that services were provided to the decedent, the classification
39 of those services, the name of the provider or the provider's identification number, and the amount
40 of the public assistance or medical assistance payment made for the services. The documents may
41 be prints obtained from microfilm or microfiche, or printouts from computer records or other elec-
42 tronic storage medium.

43 (b) A document described in paragraph (a) of this subsection is prima facie evidence of the in-
44 formation contained in the document and is not excluded from introduction as hearsay, and extrinsic
45 evidence of authenticity of the document as a condition precedent to admissibility is not required,

1 if the document bears a seal that on its face is the seal of the Director of Human Services or the
 2 designee of the director, or the Director of the Oregon [*Health Authority*] **Department of Health**
 3 or the designee of the director, and:

4 (A) For a print obtained from microfilm or microfiche, also bears a statement indicating that the
 5 print is a true copy of the microfilm or microfiche record, signed by a person who purports to be
 6 an officer or employee of [*the*] **either** department [*or the authority*]; or

7 (B) For a printout from computer records or other electronic storage medium, also bears a
 8 statement indicating that the printout accurately reflects the data retrieved, signed by a person who
 9 purports to be an officer or employee of [*the*] **either** department [*or the authority*].

10 **SECTION 41.** ORS 116.093 is amended to read:

11 116.093. (1) Upon filing the final account and petition for a judgment of distribution, the personal
 12 representative shall set a time for filing objections to the account and petition. Not less than 20
 13 days before the time set, the personal representative shall mail a copy of the final account and peti-
 14 tion for judgment and notice of the time set for objections to:

15 (a) Each distributee at the last-known address of the distributee.

16 (b) Each creditor who has not received payment in full and whose claim has not otherwise been
 17 barred.

18 (2) If a charitable trust as described in ORS 130.170, a public benefit corporation as defined in
 19 ORS 65.001 or a religious organization is a residuary beneficiary of the estate, or if a charitable
 20 trust, a public benefit corporation or a religious organization will receive less under the judgment
 21 than the amount of a specific devise to the trust, corporation or organization, the personal repre-
 22 sentative shall mail the notice under subsection (1) of this section to the Attorney General.

23 (3) The notice need not be mailed to the personal representative.

24 (4) Proof of the mailing to those persons entitled to notice shall be filed in the estate proceeding
 25 at or before approval of the final account.

26 (5) If the Department of Human Services has presented a claim under ORS chapter 411 or ORS
 27 416.310 to 416.340, 416.350 or 417.010 to 417.080, or the Oregon [*Health Authority*] **Department of**
 28 **Health** has presented a claim under ORS chapter 414 or ORS 416.310 to 416.340, 416.350 or 416.510
 29 to 416.990, or the Department of Corrections has presented a claim under ORS 179.620 (3), and the
 30 claim has not been settled or paid in full, the personal representative shall mail to the appropriate
 31 agency a copy of the final account at the same time, and shall make proof of the mailing in the same
 32 manner, as the notice provided for in this section.

33 (6) The Oregon [*Health Authority*] **Department of Health** may adopt rules designating the De-
 34 partment of Human Services as the appropriate department to receive the final account for claims
 35 presented by the [*authority*] **Oregon Department of Health** under subsection (5) of this section.

36 **SECTION 42.** ORS 124.050, as amended by section 7, chapter 91, Oregon Laws 2022, is amended
 37 to read:

38 124.050. As used in ORS 124.050 to 124.095:

39 (1) “Abuse” means one or more of the following:

40 (a) Any physical injury to an elderly person caused by other than accidental means, or which
 41 appears to be at variance with the explanation given of the injury.

42 (b) Neglect.

43 (c) Abandonment, including desertion or willful forsaking of an elderly person or the withdrawal
 44 or neglect of duties and obligations owed an elderly person by a caretaker or other person.

45 (d) Willful infliction of physical pain or injury upon an elderly person.

1 (e) An act that constitutes a crime under ORS 163.375, 163.405, 163.411, 163.415, 163.425, 163.427,
2 163.465, 163.467 or 163.525.

3 (f) Verbal abuse.

4 (g) Financial exploitation.

5 (h) Sexual abuse.

6 (i) Involuntary seclusion of an elderly person for the convenience of a caregiver or to discipline
7 the person.

8 (j) A wrongful use of a physical or chemical restraint of an elderly person, excluding an act of
9 restraint prescribed by a physician licensed under ORS chapter 677 and any treatment activities
10 that are consistent with an approved treatment plan or in connection with a court order.

11 (2) "Elderly person" means any person 65 years of age or older who is not subject to the pro-
12 visions of ORS 441.640 to 441.665.

13 (3) "Facility" means:

14 (a) A long term care facility as that term is defined in ORS 442.015.

15 (b) A residential facility as that term is defined in ORS 443.400, including but not limited to an
16 assisted living facility.

17 (c) An adult foster home as that term is defined in ORS 443.705.

18 (4) "Financial exploitation" means:

19 (a) Wrongfully taking the assets, funds or property belonging to or intended for the use of an
20 elderly person or a person with a disability.

21 (b) Alarming an elderly person or a person with a disability by conveying a threat to wrongfully
22 take or appropriate money or property of the person if the person would reasonably believe that the
23 threat conveyed would be carried out.

24 (c) Misappropriating, misusing or transferring without authorization any money from any ac-
25 count held jointly or singly by an elderly person or a person with a disability.

26 (d) Failing to use the income or assets of an elderly person or a person with a disability effec-
27 tively for the support and maintenance of the person.

28 (5) "Intimidation" means compelling or deterring conduct by threat.

29 (6) "Law enforcement agency" means:

30 (a) Any city or municipal police department.

31 (b) Any county sheriff's office.

32 (c) The Oregon State Police.

33 (d) Any district attorney.

34 (e) A police department established by a university under ORS 352.121 or 353.125.

35 (7) "Neglect" means failure to provide basic care or services that are necessary to maintain the
36 health or safety of an elderly person.

37 (8) "Person with a disability" means a person described in:

38 (a) ORS 410.040 (7); or

39 (b) ORS 410.715.

40 (9) "Public or private official" means:

41 (a) Physician or physician assistant licensed under ORS chapter 677, naturopathic physician or
42 chiropractor, including any intern or resident.

43 (b) Licensed practical nurse, registered nurse, nurse practitioner, nurse's aide, home health aide
44 or employee of an in-home health service.

45 (c) Employee of the Department of Human Services or community developmental disabilities

- 1 program.
- 2 (d) Employee of the Oregon [*Health Authority*] **Department of Health**, local health department
- 3 or community mental health program.
- 4 (e) Peace officer.
- 5 (f) Member of the clergy.
- 6 (g) Regulated social worker.
- 7 (h) Physical, speech or occupational therapist.
- 8 (i) Senior center employee.
- 9 (j) Information and referral or outreach worker.
- 10 (k) Licensed professional counselor or licensed marriage and family therapist.
- 11 (L) Elected official of a branch of government of this state or a state agency, board, commission
- 12 or department of a branch of government of this state or of a city, county or other political subdivi-
- 13 sion in this state.
- 14 (m) Firefighter or emergency medical services provider.
- 15 (n) Psychologist.
- 16 (o) Provider of adult foster care or an employee of the provider.
- 17 (p) Audiologist.
- 18 (q) Speech-language pathologist.
- 19 (r) Attorney.
- 20 (s) Dentist.
- 21 (t) Optometrist.
- 22 (u) Chiropractor.
- 23 (v) Personal support worker, as defined in ORS 410.600.
- 24 (w) Home care worker, as defined in ORS 410.600.
- 25 (x) Referral agent, as defined in ORS 443.370.
- 26 (y) A person providing agency with choice services under section 1, chapter 91, Oregon Laws
- 27 2022.
- 28 (10) “Services” includes but is not limited to the provision of food, clothing, medicine, housing,
- 29 medical services, assistance with bathing or personal hygiene or any other service essential to the
- 30 well-being of an elderly person.
- 31 (11)(a) “Sexual abuse” means:
- 32 (A) Sexual contact with an elderly person who does not consent or is considered incapable of
- 33 consenting to a sexual act under ORS 163.315;
- 34 (B) Verbal or physical harassment of a sexual nature, including but not limited to severe or
- 35 pervasive exposure to sexually explicit material or language;
- 36 (C) Sexual exploitation;
- 37 (D) Any sexual contact between an employee of a facility or paid caregiver and an elderly per-
- 38 son served by the facility or caregiver; or
- 39 (E) Any sexual contact that is achieved through force, trickery, threat or coercion.
- 40 (b) “Sexual abuse” does not mean consensual sexual contact between an elderly person and:
- 41 (A) An employee of a facility who is also the spouse of the elderly person; or
- 42 (B) A paid caregiver.
- 43 (12) “Sexual contact” has the meaning given that term in ORS 163.305.
- 44 (13) “Verbal abuse” means to threaten significant physical or emotional harm to an elderly
- 45 person or a person with a disability through the use of:

1 (a) Derogatory or inappropriate names, insults, verbal assaults, profanity or ridicule; or

2 (b) Harassment, coercion, threats, intimidation, humiliation, mental cruelty or inappropriate
3 sexual comments.

4 **SECTION 43.** ORS 125.012 is amended to read:

5 125.012. (1) As used in this section:

6 (a) “Party” means:

7 (A) A person who is the subject of a petition for a protective order.

8 (B) A person who has petitioned for appointment, or who has been appointed, as a fiduciary for
9 a protected person under this chapter.

10 (C) A person, not otherwise a party under this paragraph, who has filed objections as allowed
11 under this chapter.

12 (D) A visitor appointed by the court in a proceeding under this chapter.

13 (E) Any other person who has filed a petition or motion in a proceeding under this chapter.

14 (b) “Protected health information” has the meaning given that term in ORS 192.556.

15 (c) “Protective services” has the meaning given that term in ORS 410.040.

16 (2) The Department of Human Services or the Oregon [*Health Authority*] **Department of**
17 **Health**, for the purpose of providing protective services, may petition for a protective order under
18 this chapter. When [*the*] **either** department [*or authority*], or a petitioning attorney with whom
19 [*the*] **either** department [*or authority*] has contracted, petitions for a protective order under this
20 section, the department [*or authority*] shall disclose to the court or to the petitioning attorney only
21 a minimum amount of information about the person who is the subject of the petition, including
22 protected health, mental health, financial, substantiated abuse and legal information, as is reason-
23 ably necessary to prevent or lessen a serious and imminent threat to the health or safety of the
24 person who is the subject of the petition or protective order.

25 (3) When a petition for a protective order is filed under this chapter by a person other than the
26 Department of Human Services, the Oregon [*Health Authority*] **Department of Health** or an attor-
27 ney with whom [*the*] **either** department [*or authority*] has contracted, or when a protective order has
28 already been entered, the department [*or authority*] may disclose to a court protected health, mental
29 health, financial, substantiated abuse and legal information about the person who is the subject of
30 the petition or protective order, or about a person who has petitioned for appointment, or who has
31 been appointed, as a fiduciary for a protected person under this chapter. The Department **of Human**
32 **Services** or [*authority*] **the Oregon Department of Health** may disclose such information without
33 authorization from the person or fiduciary if the disclosure is made in good faith and with the belief
34 that the disclosure is the minimum amount of information about the person or fiduciary as is rea-
35 sonably necessary to prevent or lessen a serious and imminent threat to the health or safety of the
36 person who is the subject of the petition or protective order.

37 (4)(a) All confidential and protected health, mental health, financial, substantiated abuse and
38 legal information disclosed by the Department of Human Services, the Oregon [*Health Authority*]
39 **Department of Health** or an attorney with whom [*the*] **either** department [*or authority*] has con-
40 tracted under this section must remain confidential.

41 (b) Information disclosed under this section must be identified and marked by the entity or
42 person making the disclosure as confidential and protected information that is subject to the re-
43 quirements of this subsection.

44 (c) Information disclosed under this section is subject to inspection only by the parties to the
45 proceedings and their attorneys as provided in subsection (5) of this section. Information disclosed

1 under this section is not subject to inspection by members of the public except pursuant to a court
 2 order entered after a showing of good cause. Good cause under this paragraph includes the need for
 3 inspection of the information by an attorney considering representation of the person who is the
 4 subject of the petition or protective order, or of a person who has petitioned for appointment, or
 5 who has been appointed, as a fiduciary for a protected person under this chapter.

6 (d) Notwithstanding ORS 125.155 (4), to the extent that the report of a visitor appointed by the
 7 court under ORS 125.150 contains information that is subject to the requirements of this subsection,
 8 the report in its entirety shall be considered subject to the requirements of this subsection and may
 9 be disclosed only as provided in paragraph (c) of this subsection.

10 (5) The court may enter an order allowing inspection of information subject to disclosure under
 11 this section upon the filing of a written request for inspection and the payment of any fees or costs
 12 charged to copy the information.

13 (6) Nothing in this section is intended to limit the application of ORS 125.050 to the use of in-
 14 formation disclosed under this section in proceedings under this chapter.

15 (7) Information may be disclosed under this section only for the purpose of providing protective
 16 services.

17 **SECTION 44.** ORS 125.060 is amended to read:

18 125.060. (1) The notices required by this section must be given to all persons whose identities
 19 and addresses can be ascertained in the exercise of reasonable diligence by the person required to
 20 give the notice.

21 (2) Notice of the filing of a petition for the appointment of a fiduciary or entry of other pro-
 22 tective order must be given by the petitioner to the following persons:

23 (a) The respondent, if the respondent has attained 14 years of age unless the petition is for the
 24 appointment of a guardian for a vulnerable youth who has attained 18 years of age and the
 25 respondent's declaration consenting to the appointment has been filed with the court.

26 (b) The spouse, parents and adult children of the respondent.

27 (c) If the respondent does not have a spouse, parent or adult child, the person or persons most
 28 closely related to the respondent.

29 (d) Any person who is cohabiting with the respondent and who is interested in the affairs or
 30 welfare of the respondent.

31 (e) Any person who has been nominated as fiduciary or appointed to act as fiduciary for the
 32 respondent by a court of any state, any trustee for a trust established by or for the respondent, any
 33 person appointed as a health care representative under the provisions of ORS 127.505 to 127.660 and
 34 any person acting as attorney-in-fact for the respondent under a power of attorney.

35 (f) If the respondent is a minor, the person who has exercised principal responsibility for the
 36 care and custody of the respondent during the 60-day period before the filing of the petition.

37 (g) If the respondent is a minor and has no living parents, any person nominated to act as
 38 fiduciary for the minor in a will or other written instrument prepared by a parent of the minor.

39 (h) If the respondent is receiving moneys paid or payable by the United States through the De-
 40 partment of Veterans Affairs, a representative of the United States Department of Veterans Affairs
 41 regional office that has responsibility for the payments to the protected person.

42 (i) If the respondent is receiving moneys paid or payable for public assistance provided under
 43 ORS chapter 411 by the State of Oregon through the Department of Human Services, a represen-
 44 tative of the department.

45 (j) If the respondent is receiving moneys paid or payable for medical assistance provided under

1 ORS chapter 414 by the State of Oregon through the Oregon [*Health Authority*] **Department of**
2 **Health**, a representative of the [*authority*] **department**.

3 (k) If the respondent is committed to the legal and physical custody of the Department of Cor-
4 rections, the Attorney General and the superintendent or other officer in charge of the facility in
5 which the respondent is confined.

6 (L) If the respondent is a foreign national, the consulate for the respondent's country.

7 (m) Any other person that the court requires.

8 (3) Notice of a motion for the termination of the protective proceedings, for removal of a
9 fiduciary, for modification of the powers or authority of a fiduciary, for approval of a fiduciary's
10 actions or for protective orders in addition to those sought in the petition must be given by the
11 person making the motion to the following persons:

12 (a) The protected person, if the protected person has attained 14 years of age.

13 (b) Any person who has filed a request for notice in the proceedings.

14 (c) Except for a fiduciary who is making a motion, any fiduciary who has been appointed for the
15 protected person.

16 (d) If the protected person is receiving moneys paid or payable by the United States through the
17 Department of Veterans Affairs, a representative of the United States Department of Veterans Af-
18 fairs regional office that has responsibility for the payments to the protected person.

19 (e) If the protected person is committed to the legal and physical custody of the Department of
20 Corrections, the Attorney General and the superintendent or other officer in charge of the facility
21 in which the protected person is confined.

22 (f) If the protected person is a vulnerable youth, the consulate of the vulnerable youth's country
23 of nationality or, if unknown, the consulate of the vulnerable youth's last country of residence prior
24 to the United States of America.

25 (g) Any other person that the court requires.

26 (4) A request for notice under subsection (3)(b) of this section must be in writing and include
27 the name, address and phone number of the person requesting notice. A copy of the request must
28 be mailed by the person making the request to the petitioner or to the fiduciary if a fiduciary has
29 been appointed. The original request must be filed with the court. The person filing the request must
30 pay the fee specified by ORS 21.135.

31 (5) A person who files a request for notice in the proceedings in the manner provided by sub-
32 section (4) of this section is entitled to receive notice from the fiduciary of any motion specified in
33 subsection (3) of this section and of any other matter to which a person listed in subsection (2) of
34 this section is entitled to receive notice under a specific provision of this chapter.

35 (6) If the Department of Human Services is nominated as guardian for the purpose of consenting
36 to the adoption of a minor, the notice provided for in this section must also be given to the minor's
37 brothers, sisters, aunts, uncles and grandparents.

38 (7) In addition to the requirements of subsection (2) of this section, notice of the filing of a pe-
39 tition for the appointment of a guardian for a person who is alleged to be incapacitated must be
40 given by the petitioner to the following persons:

41 (a) Any attorney who is representing the respondent in any capacity.

42 (b) If the respondent is a resident of a nursing home or residential facility, or if the person
43 nominated to act as fiduciary intends to place the respondent in a nursing home or residential fa-
44 cility, the office of the Long Term Care Ombudsman.

45 (c) If the respondent is a resident of a mental health treatment facility or a residential facility

1 for individuals with developmental disabilities, or if the person nominated to act as fiduciary intends
 2 to place the respondent in such a facility, the system described in ORS 192.517 (1).

3 (8) In addition to the requirements of subsection (3) of this section, in a protective proceeding
 4 in which a guardian has been appointed, notice of the motions specified in subsection (3) of this
 5 section, and the address, telephone number and other contact information of the protected person,
 6 must be given by the person making the motion to the following persons:

7 (a) Any attorney who represented the protected person at any time during the protective pro-
 8 ceeding.

9 (b) If the protected person is a resident of a nursing home or residential facility, or if the motion
 10 seeks authority to place the protected person in a nursing home or residential facility, the office of
 11 the Long Term Care Ombudsman.

12 (c) If the protected person is a resident of a mental health treatment facility or a residential
 13 facility for individuals with developmental disabilities, or if the motion seeks authority to place the
 14 protected person in such a facility, the system described in ORS 192.517 (1).

15 (9) A respondent or protected person may not waive the notice required under this section.

16 (10) The requirement that notice be served on an attorney for a respondent or protected person
 17 under subsection (7)(a) or (8)(a) of this section does not impose any responsibility on the attorney
 18 receiving the notice to represent the respondent or protected person in the protective proceeding.

19 **SECTION 45.** ORS 125.693 is amended to read:

20 125.693. (1) As used in this section and ORS 125.694, “highly vulnerable adult” means a person
 21 with a disability who is:

22 (a) At least 18 years of age;

23 (b) At imminent risk of serious harm; and

24 (c) Unable to independently protect the person from the harm due to the effects of the person’s
 25 disability.

26 (2) The Oregon Public Guardian and Conservator appointed under ORS 125.678 may establish
 27 county or regional high-risk teams that may consist of, but not be limited to, the following:

28 (a) The Oregon Public Guardian and Conservator.

29 (b) The Department of Human Services or a designee of the Department of Human Services.

30 (c) The Oregon [*Health Authority*] **Department of Health** or a designee of the Oregon [*Health*
 31 *Authority*] **Department of Health**.

32 (d) Representatives of:

33 (A) Local hospitals.

34 (B) Local crisis response teams.

35 (C) Homeless services programs.

36 (D) Veterans’ services programs.

37 (E) Organizations designated by the Department of Human Services as area agencies on aging.

38 (F) Any other agency or nonprofit organization that provides services to highly vulnerable
 39 adults.

40 (3) The Oregon Public Guardian and Conservator may establish a statewide high-risk team that
 41 may consist of, but not be limited to, representatives of the following:

42 (a) The Department of Human Services, including developmental disabilities programs and adult
 43 abuse prevention programs within the department.

44 (b) The Oregon [*Health Authority*] **Department of Health**.

45 (c) The Oregon State Hospital.

1 (d) The Department of Veterans' Affairs.

2 (e) Any other statewide agency or program that has direct contact with highly vulnerable adults
3 or that provides services addressing serious safety concerns of highly vulnerable adults.

4 (4) The Oregon Public Guardian and Conservator may delegate the responsibility to develop a
5 high-risk team under this section to a designee or administrator who is or will be a member of the
6 high-risk team pursuant to a written agreement.

7 (5) A high-risk team shall discuss situations where highly vulnerable adults are at risk of harm,
8 or are currently experiencing harm, and identify the available options for addressing the safety risk,
9 focusing on the least restrictive alternatives.

10 (6) Each high-risk team shall develop a written protocol establishing the purpose of the team,
11 potential membership within each community and confidentiality procedures consistent with ORS
12 125.694.

13 **SECTION 46.** ORS 126.725 is amended to read:

14 126.725. (1) A person having legal custody of a minor may enter into a settlement agreement
15 with a person against whom the minor has a claim if:

16 (a) A conservator has not been appointed for a minor;

17 (b) The total amount of the claim, not including reimbursement of medical expenses, liens, rea-
18 sonable attorney fees and costs of suit, is \$25,000 or less if paid in cash or if paid by the purchase
19 of a premium for an annuity;

20 (c) The moneys paid under the settlement agreement will be paid as set forth in subsections (3)
21 and (4) of this section; and

22 (d) The person entering into the settlement agreement on behalf of the minor completes an af-
23 fidavit or verified statement that attests that the person has made a reasonable inquiry and that:

24 (A) To the best of the person's knowledge, the minor will be fully compensated by the settle-
25 ment; or

26 (B) There is no practical way to obtain additional amounts from the party entering into the
27 settlement agreement with the minor.

28 (2) The attorney representing the person entering into the settlement agreement on behalf of the
29 minor, if any, shall maintain the affidavit or verified statement completed under subsection (1)(d) of
30 this section in the attorney's file for two years after the minor attains the age of 21 years.

31 (3) The moneys payable under the settlement agreement must be paid as follows:

32 (a) If the minor or person entering into the settlement agreement on behalf of the minor is re-
33 presented by an attorney and the settlement is paid in cash, by direct deposit into the attorney's
34 trust account maintained pursuant to rules of professional conduct adopted under ORS 9.490 to be
35 held for the benefit of the minor. The attorney shall deposit the moneys received on behalf of the
36 minor directly into a federally insured savings account that earns interest in the sole name of the
37 minor, and provide notice of the deposit to the minor and the person entering into the settlement
38 agreement on behalf of the minor. Notice shall be delivered by personal service or first class mail.

39 (b) If the minor or person entering into the settlement agreement on behalf of the minor is not
40 represented by an attorney and the settlement is paid in cash, directly into a federally insured
41 savings account that earns interest in the sole name of the minor. Notice of the deposit to the minor
42 shall be delivered by personal service or first class mail.

43 (c) If paid by purchase of an annuity, by direct payment to the provider of the annuity with the
44 minor designated as the sole beneficiary of the annuity.

45 (d) If the minor is a ward in the custody of the Department of Human Services under ORS

1 419B.337 and the settlement is paid in cash, directly into a trust account, or subaccount of a trust
 2 account, established by the Department of **Human Services** or the Oregon [*Health Authority*] **De-**
 3 **partment of Health** under ORS 430.195 for the purpose of receiving moneys payable to the ward
 4 under the settlement agreement and that earns interest for the benefit of the ward.

5 (4) The moneys in the minor's savings account, trust account or trust subaccount established
 6 under subsection (3) of this section may not be withdrawn, removed, paid out or transferred to any
 7 person, including the minor, except as follows:

- 8 (a) Pursuant to court order;
- 9 (b) Upon the minor's attainment of 18 years of age; or
- 10 (c) Upon the minor's death.

11 (5) If a settlement agreement is entered into in compliance with subsection (1) of this section,
 12 the signature of the person entering into the settlement agreement on behalf of the minor is binding
 13 on the minor without the need for further court approval or review and has the same force and ef-
 14 fect as if the minor were a competent adult entering into the settlement agreement.

15 (6) A person acting in good faith on behalf of a minor under this section is not liable to the
 16 minor for the moneys paid in settlement or for any other claim arising out of the settlement.

17 **SECTION 47.** ORS 126.730 is amended to read:

18 126.730. (1) Except as provided in subsection (4) of this section, a person under a duty to pay
 19 moneys to a minor pursuant to a judgment of the court in an amount not exceeding \$25,000 may pay
 20 the moneys to a person having legal custody of the minor or to a guardian of the minor. Unless the
 21 minor is a ward in the custody of the Department of Human Services under ORS 419B.337, the minor
 22 must reside with the person having legal custody of the minor.

23 (2) The moneys paid under subsection (1) of this section must be paid as follows:

24 (a) If the minor or person to whom payment is made is represented by an attorney and the
 25 judgment is paid in cash, by direct deposit into the attorney's trust account maintained pursuant to
 26 rules of professional conduct adopted under ORS 9.490 to be held for the benefit of the minor. The
 27 attorney shall deposit the moneys received on behalf of the minor directly into a federally insured
 28 savings account that earns interest in the sole name of the minor, and provide notice of the deposit
 29 to the minor and the person to whom payment is made. Notice shall be delivered by personal service
 30 or first class mail.

31 (b) If the minor or person to whom payment is made is not represented by an attorney and the
 32 judgment is paid in cash, directly into a federally insured savings account that earns interest in the
 33 sole name of the minor. Notice of the deposit shall be delivered to the minor by personal service
 34 or first class mail.

35 (c) If the judgment is paid by purchase of an annuity, by direct payment to the provider of the
 36 annuity with the minor designated as the sole beneficiary of the annuity.

37 (d) If the minor is a ward in the custody of the Department of Human Services under ORS
 38 419B.337 and the judgment is paid in cash, directly into a trust account, or subaccount of a trust
 39 account, established by the Department of **Human Services** or the Oregon [*Health Authority*] **De-**
 40 **partment of Health** under ORS 430.195 for the purpose of receiving moneys payable to the ward
 41 pursuant to the judgment and that earns interest for the benefit of the ward.

42 (3) The moneys in the minor's savings account, trust account or trust subaccount established
 43 under subsection (2) of this section may not be withdrawn, removed, paid out or transferred to any
 44 person, including the minor, except as follows:

- 45 (a) Pursuant to court order;

1 (b) Upon the minor’s attainment of 18 years of age; or

2 (c) Upon the minor’s death.

3 (4) This section does not apply if the person making payment has actual knowledge that a
 4 conservator has been appointed or proceedings for appointment of a conservator of the estate of the
 5 minor are pending.

6 **SECTION 48.** ORS 127.529 is amended to read:

7 127.529. An advance directive executed by an Oregon resident or by a resident of any other
 8 state while physically present in this state must be in substantially the following form:

10 OREGON ADVANCE DIRECTIVE
 11 FOR HEALTH CARE

12
 13 • This Advance Directive form allows you to:

14 • Share your values, beliefs, goals and wishes for health care if you are not able to express
 15 them yourself.

16 • Name a person to make your health care decisions if you could not make them for yourself.
 17 This person is called your health care representative and they must agree to act in this role.
 18

19
 20 • Be sure to discuss your Advance Directive and your wishes with your health care represen-
 21 tative. This will allow them to make decisions that reflect your wishes. It is recommended that you
 22 complete this entire form.

23 • The Oregon Advance Directive for Health Care form and Your Guide to the Oregon Advance
 24 Directive are available on the Oregon [*Health Authority’s*] **Department of Health’s** website.

25 • In sections 1, 2, 5, 6 and 7 you appoint a health care representative.

26 • In sections 3 and 4 you provide instructions about your care.
 27

28 The Advance Directive form allows you to express your preferences for health care. It is not
 29 the same as Portable Orders for Life Sustaining Treatment (POLST) as defined in ORS 127.663. You
 30 can find more information about the POLST in Your Guide to the Oregon Advance Directive.

31 This form may be used in Oregon to choose a person to make health care decisions for you if
 32 you become too sick to speak for yourself or are unable to make your own medical decisions. The
 33 person is called a health care representative. If you do not have an effective health care represen-
 34 tative appointment and you become too sick to speak for yourself, a health care representative will
 35 be appointed for you in the order of priority set forth in ORS 127.635 (2) and this person can only
 36 decide to withhold or withdraw life sustaining treatments if you meet one of the conditions set forth
 37 in ORS 127.635 (1).

38 This form also allows you to express your values and beliefs with respect to health care deci-
 39 sions and your preferences for health care.

40 • If you have completed an advance directive in the past, this new advance directive will re-
 41 place any older directive.

42 • You must sign this form for it to be effective. You must also have it witnessed by two wit-
 43 nesses or a notary. Your appointment of a health care representative is not effective until the health
 44 care representative accepts the appointment.

45 • If your advance directive includes directions regarding the withdrawal of life support or tube

1 feeding, you may revoke your advance directive at any time and in any manner that expresses your
2 desire to revoke it.

3 • In all other cases, you may revoke your advance directive at any time and in any manner as
4 long as you are capable of making medical decisions.

5
6 1. ABOUT ME

7
8 Name: _____

9 Date of Birth: _____

10 Telephone numbers: (Home) _____

11 (Work) _____ (Cell) _____

12 Address: _____

13 E-mail: _____

14
15 2. MY HEALTH CARE REPRESENTATIVE

16
17 I choose the following person as my health care representative to make health care decisions
18 for me if I can't speak for myself.

19
20 Name: _____

21 Relationship: _____

22 Telephone numbers: (Home) _____

23 (Work) _____ (Cell) _____

24 Address: _____

25 E-mail: _____

26
27 I choose the following people to be my alternate health care representatives if my first choice
28 is not available to make health care decisions for me or if I cancel the first health care
29 representative's appointment.

30
31 First alternate health care representative:

32 Name: _____

33 Relationship: _____

34 Telephone numbers: (Home) _____

35 (Work) _____ (Cell) _____

36 Address: _____

37 E-mail: _____

38
39 Second alternate health care representative:

40 Name: _____

41 Relationship: _____

42 Telephone numbers: (Home) _____

43 (Work) _____ (Cell) _____

44 Address: _____

45 E-mail: _____

1 3. MY HEALTH CARE INSTRUCTIONS

2
3 This section is the place for you to express your wishes, values and goals for care. Your in-
4 structions provide guidance for your health care representative and health care providers.

5 You can provide guidance on your care with the choices you make below. This is the case even
6 if you do not choose a health care representative or if they cannot be reached.

7
8 A. MY HEALTH CARE DECISIONS:

9 There are three situations below for you to express your wishes. They will help you think about
10 the kinds of life support decisions your health care representative could face. For each, choose the
11 one option that most closely fits your wishes.

12 a. Terminal Condition

13 This is what I want if:

- 14 • I have an illness that cannot be cured or reversed.

15 AND

- 16 • My health care providers believe it will result in my death within six months, regardless of
17 any treatments.

18
19 Initial one option only.

20 ___ I want to try all available treatments to sustain my life, such as artificial feeding and hy-
21 dration with feeding tubes, IV fluids, kidney dialysis and breathing machines.

22 ___ I want to try to sustain my life with artificial feeding and hydration with feeding tubes and
23 IV fluids. I do not want other treatments to sustain my life, such as kidney dialysis and breathing
24 machines.

25 ___ I do not want treatments to sustain my life, such as artificial feeding and hydration with
26 feeding tubes, IV fluids, kidney dialysis or breathing machines. I want to be kept comfortable and
27 be allowed to die naturally.

28 ___ I want my health care representative to decide for me, after talking with my health care
29 providers and taking into account the things that matter to me. I have expressed what matters to
30 me in section B below.

31
32 b. Advanced Progressive Illness

33 This is what I want if:

- 34 • I have an illness that is in an advanced stage.

35 AND

- 36 • My health care providers believe it will not improve and will very likely get worse over time
37 and result in death.

38 AND

- 39 • My health care providers believe I will never be able to:

40 - Communicate

41 - Swallow food and water safely

42 - Care for myself

43 - Recognize my family and other people

44
45 Initial one option only.

1 ___ I want to try all available treatments to sustain my life, such as artificial feeding and hy-
2 dration with feeding tubes, IV fluids, kidney dialysis and breathing machines.

3 ___ I want to try to sustain my life with artificial feeding and hydration with feeding tubes and
4 IV fluids. I do not want other treatments to sustain my life, such as kidney dialysis and breathing
5 machines.

6 ___ I do not want treatments to sustain my life, such as artificial feeding an hydration with
7 feeding tubes, IV fluids, kidney dialysis or breathing machines. I want to be kept comfortable and
8 be allowed to die naturally.

9 ___ I want my health care representative to decide for me, after talking with my health care
10 providers and taking into account the things that matter to me. I have expressed what matters to
11 me in section B below.

12
13 c. Permanently Unconscious

14 This is what I want if:

15 I am not conscious.

16 AND

17 If my health care providers believe it is very unlikely that I will ever become conscious again.

18
19 Initial one option only.

20 ___ I want to try all available treatments to sustain my life, such as artificial feeding and hy-
21 dration with feeding tubes, IV fluids, kidney dialysis and breathing machines.

22 ___ I want to try to sustain my life with artificial feeding and hydration with feeding tubes and
23 IV fluids. I do not want other treatments to sustain my life, such as kidney dialysis and breathing
24 machines.

25 ___ I do not want treatments to sustain my life, such as artificial feeding and hydration with
26 feeding tubes, IV fluids, kidney dialysis or breathing machines. I want to be kept comfortable and
27 be allowed to die naturally.

28 ___ I want my health care representative to decide for me, after talking with my health care
29 providers and taking into account the things that matter to me. I have expressed what matters to
30 me in section B below.

31
32 You may write in the space below or attach pages to say more about what kind of care you
33 want or do not want.

34 _____
35
36 _____
37
38 _____

39
40
41 B. WHAT MATTERS MOST TO ME AND FOR ME:

42 This section only applies when you are in a terminal condition, have an advanced progressive
43 illness or are permanently unconscious. If you wish to use this section, you can communicate the
44 things that are really important to you and for you. This will help your health care representative.

45 This is what you should know about what is important to me about my life:

1
2
3
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45

This is what I value the most about my life:

This is what is important for me about my life:

I do not want life-sustaining procedures if I can not be supported and be able to engage in the following ways:

Initial all that apply.

- Express my needs.
 - Be free from long-term severe pain and suffering.
 - Know who I am and who I am with.
 - Live without being hooked up to mechanical life support.
 - Participate in activities that have meaning to me, such as:
-

If you want to say more to help your health care representative understand what matters most to you, write it here. (For example: I do not want care if it will result in....)

C. MY SPIRITUAL BELIEFS

Do you have spiritual or religious beliefs you want your health care representative and those taking care of you to know? They can be rituals, sacraments, denying blood product transfusions and more.

You may write in the space below or attach pages to say more about your spiritual or religious beliefs.

4. MORE INFORMATION

Use this section if you want your health care representative and health care providers to have

1 more information about you.

2 A. LIFE AND VALUES

3 Below you can share about your life and values. This can help your health care representative
4 and health care providers make decisions about your health care. This might include family history,
5 experiences with health care, cultural background, career, social support system and more.

6 You may write in the space below or attach pages to say more about your life, beliefs and val-
7 ues.

8 _____
9 _____
10 _____
11 _____
12 _____

13
14
15 B. PLACE OF CARE:

16 If there is a choice about where you receive care, what do you prefer? Are there places you
17 want or do not want to receive care? (For example, a hospital, a nursing home, a mental health fa-
18 cility, an adult foster home, assisted living, your home.)

19 You may write in the space below or attach pages to say more about where you prefer to re-
20 ceive care or not receive care.

21 _____
22 _____
23 _____
24 _____
25 _____

26
27
28 C. OTHER:

29 You may attach to this form other documents you think will be helpful to your health care
30 representative and health care providers. What you attach will be part of your Advance Directive.

31 You may list documents you have attached in the space below.

32 _____
33 _____
34 _____
35 _____
36 _____

37
38
39 D. INFORM OTHERS:

40 You can allow your health care representative to authorize your health care providers to the
41 extent permitted by state and federal privacy laws to discuss your health status and care with the
42 people you write in below. Only your health care representative can make decisions about your
43 care.

44 Name: _____

45 Relationship: _____

1 Telephone numbers: (Home) _____
2 (Work) _____ (Cell) _____
3 Address: _____
4 E-mail: _____

5
6
7

5. MY SIGNATURE

8 My signature: _____
9 Date: _____

10
11
12

6. WITNESS

13 COMPLETE EITHER A OR B WHEN YOU SIGN

14
15
16

A. NOTARY:

17 State of _____
18 County of _____
19 Signed or attested before me on _____,
20 2_____, by _____.
21 _____
22 Notary Public - State of Oregon

23
24
25

B. WITNESS DECLARATION:

26 The person completing this form is personally known to me or has provided proof of identity,
27 has signed or acknowledged the person's signature on the document in my presence and appears to
28 be not under duress and to understand the purpose and effect of this form. In addition, I am not the
29 person's health care representative or alternative health care representative, and I am not the
30 person's attending health care provider.

31
32

32 Witness Name (print): _____
33 Signature: _____
34 Date: _____

35
36

36 Witness Name (print): _____
37 Signature: _____
38 Date: _____

39
40
41

7. ACCEPTANCE BY MY HEALTH CARE REPRESENTATIVE

42 I accept this appointment and agree to serve as health care representative.

43
44
45

44 Health care representative:
45 Printed name: _____

1 Signature or other verification of acceptance:

2 _____

3 Date: _____

4

5 First alternate health care representative:

6 Printed name: _____

7 Signature or other verification of acceptance:

8 _____

9 Date: _____

10

11 Second alternate health care representative:

12 Printed name: _____

13 Signature or other verification of acceptance:

14 _____

15 Date: _____

16

17

18 **SECTION 49.** ORS 127.532 is amended to read:

19 127.532. (1) The Advance Directive Advisory Committee is established within the division of the
20 Oregon [*Health Authority*] **Department of Health** that is charged with performing the public health
21 functions of the state.

22 (2)(a) The committee consists of 13 members.

23 (b) One member shall be the Long Term Care Ombudsman or the designee of the Long Term
24 Care Ombudsman.

25 (c) The other 12 members shall be appointed by the Governor as follows:

26 (A) One member who represents primary health care providers.

27 (B) One member who represents hospitals.

28 (C) One member who is a clinical ethicist affiliated with a health care facility located in this
29 state, or affiliated with a health care organization offering health care services in this state.

30 (D) Two members who are health care providers with expertise in palliative or hospice care, one
31 of whom is not employed by a hospital or other health care facility, a health care organization or
32 an insurer.

33 (E) One member who represents individuals with disabilities.

34 (F) One member who represents consumers of health care services.

35 (G) One member who represents the long term care community.

36 (H) One member with expertise advising or assisting consumers with end-of-life decisions.

37 (I) One member from among members proposed by the Oregon State Bar who has extensive ex-
38 perience in elder law and advising individuals on how to execute an advance directive.

39 (J) One member from among members proposed by the Oregon State Bar who has extensive ex-
40 perience in estate planning and advising individuals on how to make end-of-life decisions.

41 (K) One member from among members proposed by the Oregon State Bar who has extensive
42 experience in health law.

43 (3) The term of office of each member of the committee is four years, but a member serves at
44 the pleasure of the appointing authority. Before the expiration of the term of a member, the ap-
45 pointing authority shall appoint a successor whose term begins on January 1 next following. A

1 member is eligible for reappointment. If there is a vacancy for any cause, the appointing authority
 2 shall make an appointment to become immediately effective for the unexpired term.

3 (4) A majority of the members of the committee constitutes a quorum for the transaction of
 4 business.

5 (5) Official action by the committee requires the approval of a majority of the members of the
 6 committee.

7 (6) The committee shall elect one of its members to serve as chairperson.

8 (7) The committee shall meet at times and places specified by the call of the chairperson or of
 9 a majority of the members of the committee, provided that the committee meets at least twice a
 10 year.

11 (8) The committee may adopt rules necessary for the operation of the committee.

12 (9) Members of the committee are not entitled to compensation, but may be reimbursed for ac-
 13 tual and necessary travel and other expenses incurred by them in the performance of their official
 14 duties in the manner and amounts provided for in ORS 292.495. Claims for expenses shall be paid
 15 out of funds appropriated to the Oregon [*Health Authority*] **Department of Health** for purposes of
 16 the committee.

17 **SECTION 50.** ORS 127.533 is amended to read:

18 127.533. (1) In accordance with public notice and stakeholder participation requirements pre-
 19 scribed by the Oregon [*Health Authority*] **Department of Health**, the Advance Directive Advisory
 20 Committee established under ORS 127.532 shall:

21 (a) Advise the Legislative Assembly regarding the form of an advance directive to be used in
 22 this state;

23 (b) Review the form set forth in ORS 127.529 not less than once every four years for the purpose
 24 of recommending changes to the form that the advisory committee determines are necessary; and

25 (c) Prepare written materials that provide information regarding advance directives to assist the
 26 public with completing the advance directive form.

27 (2) At a minimum, the form of an advance directive recommended under this section must con-
 28 tain the following elements:

29 (a) A statement about the purposes of the advance directive, including:

30 (A) A statement about the purpose of the principal's appointment of a health care representative
 31 to make health care decisions for the principal if the principal becomes incapable;

32 (B) A statement about the priority of health care representative appointment in ORS 127.635 (2)
 33 in the event the principal becomes incapable and does not have a valid health care representative
 34 appointment;

35 (C) A statement about the purpose of the principal's expression of the principal's values and
 36 beliefs with respect to health care decisions and the principal's preferences for health care;

37 (D) A statement about the purpose of the principal's expression of the principal's preferences
 38 with respect to placement in a care home or a mental health facility;

39 (E) A statement that advises the principal that the advance directive allows the principal to
 40 document the principal's preferences, but is not a POLST, as defined in ORS 127.663;

41 (F) A statement that the information described in subsection (1)(c) of this section is available
 42 on the Oregon [*Health Authority's*] **Department of Health's** website; and

43 (G) A statement explaining that the principal may attach supplementary material describing the
 44 principal's treatment preferences to the advance directive and that any attached supplementary
 45 material will be considered a part of the advance directive, consistent with ORS 127.505 (2)(b).

1 (b) A statement explaining the execution formalities under ORS 127.515, including that, to be
 2 effective, the advance directive must be:

3 (A) Signed by the principal; and

4 (B) Either witnessed and signed by at least two adults or notarized.

5 (c) A statement explaining the acceptance formalities under ORS 127.525, including that, to be
 6 effective, the appointment of a health care representative or an alternate health care representative
 7 must be accepted by the health care representative or the alternate health care representative.

8 (d) A statement explaining ORS 127.545, including that the advance directive, once executed,
 9 supersedes any previously executed advance directive.

10 (e) The name, date of birth, address and other contact information of the principal.

11 (f) The name, address and other contact information of any health care representative or any
 12 alternate health care representative appointed by the principal.

13 (g) A section providing the principal with an opportunity to state the principal's values and
 14 beliefs with respect to health care decisions, including the opportunity to describe the principal's
 15 preferences, by completing a checklist, by providing instruction through narrative or other means,
 16 or by any combination of methods used to describe the principal's preferences, regarding:

17 (A) When the principal wants all reasonably available health care necessary to preserve life and
 18 recover;

19 (B) When the principal wants all reasonably available health care necessary to treat chronic
 20 conditions;

21 (C) When the principal wants to specifically limit health care necessary to preserve life and
 22 recover, including artificially administered nutrition and hydration, cardiopulmonary resuscitation
 23 and transport to a hospital; and

24 (D) When the principal desires comfort care instead of health care necessary to preserve life.

25 (h) A section where the principal and the witnesses or notary may sign the advance directive,
 26 consistent with the execution formalities required under ORS 127.515.

27 (i) A section where any health care representative or any alternate health care representative
 28 appointed by the principal may accept the appointment, consistent with the requirements under ORS
 29 127.525.

30 (3)(a) In recommending changes to the form of an advance directive under this section, the ad-
 31 visory committee shall use plain language, such as "tube feeding" and "life support."

32 (b) As used in this subsection:

33 (A) "Life support" means life-sustaining procedures.

34 (B) "Tube feeding" means artificially administered nutrition and hydration.

35 (4) In recommending changes to the form of an advance directive under this section, the advi-
 36 sory committee shall use the components of the form for appointing a health care representative and
 37 an alternate health care representative set forth in ORS 127.527.

38 (5) The advisory committee shall submit a report detailing the advisory committee's recommen-
 39 dations developed under this section on or before September 1 of an even-numbered year following
 40 the date on which the advisory committee finalizes the recommendations in the manner provided by
 41 ORS 192.245 to an interim committee of the Legislative Assembly related to the judiciary. The in-
 42 terim committee shall consider the advisory committee's recommendations submitted to the interim
 43 committee under this section.

44 (6) The Oregon [Health Authority] **Department of Health** shall post the form of an advance
 45 directive set forth in ORS 127.529 and the written materials described in subsection (1)(c) of this

1 section on the [authority's] **department's** website.

2 **SECTION 51.** ORS 127.663 is amended to read:

3 127.663. As used in ORS 127.663 to 127.684:

4 (1) "Authorized user" means a person authorized by the Oregon [Health Authority] **Department**
5 **of Health** to provide information to or receive information from the POLST registry.

6 (2) "Life-sustaining treatment" means any medical procedure, pharmaceutical, medical device or
7 medical intervention that maintains life by sustaining, restoring or supplanting a vital function.
8 "Life-sustaining treatment" does not include routine care necessary to sustain patient cleanliness
9 and comfort.

10 (3) "Naturopathic physician" has the meaning given the term in ORS 685.010.

11 (4) "Nurse practitioner" has the meaning given that term in ORS 678.010.

12 (5) "Physician" has the meaning given that term in ORS 677.010.

13 (6) "Physician assistant" has the meaning given that term in ORS 677.495.

14 (7) "POLST" means a physician order for life-sustaining treatment signed by a physician,
15 naturopathic physician, nurse practitioner or physician assistant.

16 (8) "POLST registry" means the registry established in ORS 127.666.

17 **SECTION 52.** ORS 127.666 is amended to read:

18 127.666. (1) The Oregon [Health Authority] **Department of Health** shall establish and operate
19 a statewide registry for the collection and dissemination of physician orders for life-sustaining
20 treatment to help ensure that medical treatment preferences for an individual nearing the end of the
21 individual's life are honored.

22 (2) The [authority] **department** shall adopt rules for the registry, including but not limited to
23 rules that:

24 (a) Require submission of the following documents to the registry, unless the patient has re-
25 quested to opt out of the registry:

26 (A) A copy of each POLST;

27 (B) A copy of a revised POLST; and

28 (C) Notice of any known revocation of a POLST;

29 (b) Prescribe the manner for submitting information described in paragraph (a) of this sub-
30 section;

31 (c) Require the release of registry information to authorized users for treatment purposes;

32 (d) Authorize notification by the registry to specified persons of the receipt, revision or revo-
33 cation of a POLST; and

34 (e) Establish procedures to protect the accuracy and confidentiality of information submitted to
35 the registry.

36 (3) The [authority] **department** may permit qualified researchers to access registry data. If the
37 [authority] **department** permits qualified researchers to have access to registry data, the
38 [authority] **department** shall adopt rules governing the access to data that shall include but need
39 not be limited to:

40 (a) The process for a qualified researcher to request access to registry data;

41 (b) The types of data that a qualified researcher may be provided from the registry; and

42 (c) The manner by which a researcher must protect registry data obtained under this subsection.

43 (4) The [authority] **department** may contract with a private or public entity to establish or
44 maintain the registry, and such contract is exempt from the requirements of ORS chapters 279A,
45 279B and 279C.

SECTION 53. ORS 127.669 is amended to read:

127.669. Nothing in ORS 127.663 to 127.684 requires the Oregon [*Health Authority*] **Department of Health** to:

- (1) Prescribe the form or content of a POLST;
- (2) Disseminate forms to be used for a POLST;
- (3) Educate the public about POLSTs, generally; or
- (4) Train health care providers about POLSTs.

SECTION 54. ORS 127.720 is amended to read:

127.720. (1) The physician or provider may subject the principal to mental health treatment in a manner contrary to the principal's wishes as expressed in a declaration for mental health treatment only:

(a) If the principal is committed pursuant to ORS 426.005 to 426.390 or 426.701 to the Oregon [*Health Authority*] **Department of Health** and treatment is authorized in compliance with ORS 426.385 (3) and administrative rule.

(b) If treatment is authorized in compliance with administrative rule and:

(A) The principal is committed to a state hospital or secure intensive community inpatient facility:

(i) As a result of being found guilty except for insanity under ORS 161.295 or responsible except for insanity under ORS 419C.411;

(ii) Under ORS 161.365; or

(iii) Under ORS 161.370; or

(B) The principal is transferred to a state hospital or other facility under ORS 179.473 or 419C.530.

(c) In cases of emergency endangering life or health.

(2) A declaration does not limit any authority provided in ORS 426.005 to 426.390 either to take a person into custody, or to admit, retain or treat a person in a health care facility.

SECTION 55. ORS 127.760 is amended to read:

127.760. (1) As used in this section:

(a) "Health care instruction" means a document executed by a patient to indicate the patient's instructions regarding health care decisions.

(b) "Health care provider" means a person licensed, certified or otherwise authorized by the law of this state to administer health care in the ordinary course of business or practice of a profession.

(c) "Hospital" has the meaning given that term in ORS 442.015.

(d) "Mental health treatment" means convulsive treatment, treatment of mental illness with psychoactive medication, psychosurgery, admission to and retention in a health care facility for care or treatment of mental illness, and related outpatient services.

(2)(a)(A) A hospital may appoint a health care provider who has received training in health care ethics, including identification and management of conflicts of interest and acting in the best interest of the patient, to give informed consent to medically necessary health care services on behalf of a patient admitted to the hospital in accordance with subsection (3) of this section.

(B) If a person appointed under subparagraph (A) of this paragraph is the patient's attending physician or naturopathic physician licensed under ORS chapter 685, the hospital must also appoint another health care provider who meets the requirements of subparagraph (A) of this paragraph to participate in making decisions about giving informed consent to health care services on behalf of the patient.

1 (b) A hospital may appoint a multidisciplinary committee with ethics as a core component of the
 2 duties of the committee, or a hospital ethics committee, to participate in making decisions about
 3 giving informed consent to medically necessary health care services on behalf of a patient admitted
 4 to the hospital in accordance with subsection (3) of this section.

5 (3) A person appointed by a hospital under subsection (2) of this section may give informed
 6 consent to medically necessary health care services on behalf of and in the best interest of a patient
 7 admitted to the hospital if:

8 (a) In the medical opinion of the attending physician or naturopathic physician, the patient lacks
 9 the ability to make and communicate health care decisions to health care providers;

10 (b) The hospital has performed a reasonable search, in accordance with the hospital's policy for
 11 locating relatives and friends of a patient, for a health care representative appointed under ORS
 12 127.505 to 127.660 or an adult relative or adult friend of the patient who is capable of making health
 13 care decisions for the patient, including contacting social service agencies of the Oregon [*Health*
 14 *Authority*] **Department of Health** or the Department of Human Services if the hospital has reason
 15 to believe that the patient has a case manager with the [*authority or the*] department, and has been
 16 unable to locate any person who is capable of making health care decisions for the patient; and

17 (c) The hospital has performed a reasonable search for and is unable to locate any health care
 18 instruction executed by the patient.

19 (4) Notwithstanding subsection (3) of this section, if a patient's wishes regarding health care
 20 services were made known during a period when the patient was capable of making and communi-
 21 cating health care decisions, the hospital and the person appointed under subsection (2) of this
 22 section shall comply with those wishes.

23 (5) A person appointed under subsection (2) of this section may not consent on a patient's behalf
 24 to:

25 (a) Mental health treatment;

26 (b) Sterilization;

27 (c) Abortion;

28 (d) Except as provided in ORS 127.635 (3), the withholding or withdrawal of life-sustaining pro-
 29 cedures as defined in ORS 127.505; or

30 (e) Except as provided in ORS 127.580 (2), the withholding or withdrawal of artificially admin-
 31 istered nutrition and hydration, as defined in ORS 127.505, other than hyperalimentation, necessary
 32 to sustain life.

33 (6) If the person appointed under subsection (2) of this section knows the patient's religious
 34 preference, the person shall make reasonable efforts to confer with a member of the clergy of the
 35 patient's religious tradition before giving informed consent to health care services on behalf of the
 36 patient.

37 (7) A person appointed under subsection (2) of this section is not a health care representative
 38 as defined in ORS 127.505.

39 **SECTION 56.** ORS 127.865 is amended to read:

40 127.865. §3.11. Reporting requirements. (1)(a) The Oregon [*Health Authority*] **Department of**
 41 **Health** shall annually review a sample of records maintained pursuant to ORS 127.800 to 127.897.

42 (b) The [*authority*] **department** shall require any health care provider upon dispensing
 43 medication pursuant to ORS 127.800 to 127.897 to file a copy of the dispensing record with the [*au-*
 44 *thority*] **department**.

45 (2) The [*authority*] **department** shall make rules to facilitate the collection of information re-

1 guarding compliance with ORS 127.800 to 127.897. Except as otherwise required by law, the informa-
 2 tion collected shall not be a public record and may not be made available for inspection by the
 3 public.

4 (3) The [authority] **department** shall generate and make available to the public an annual sta-
 5 tistical report of information collected under subsection (2) of this section.

6 **SECTION 57.** ORS 130.370 is amended to read:

7 130.370. (1) Within three months after a petition is entered in the register of the court under
 8 ORS 130.355, or within such longer time as the court allows, a trustee must make reasonably dili-
 9 gent efforts to investigate the financial records and affairs of the settlor and to take such further
 10 actions as are reasonably necessary to ascertain the identity and address of each person who has
 11 or asserts a claim against the trust estate. The court shall allow the trustee as much time as re-
 12 quested by the trustee for the purpose of determining the claims against the trust estate. The trustee
 13 must thereafter cause to be delivered or mailed a notice containing the information required in
 14 subsection (2) of this section to the Department of Human Services and the Oregon [*Health*
 15 *Authority*] **Department of Health**, or as otherwise provided by rule adopted by the [authority]
 16 **Oregon Department of Health**, and to each person known by the trustee to have or to assert a
 17 claim against the trust estate. Notice under this section is not required for any claim that has al-
 18 ready been presented, accepted or paid in full or on account of a claim that is merely conjectural.

19 (2) The notice required by this section must include:

20 (a) The name of the settlor and the last four digits of the settlor's Social Security number;

21 (b) The name of the trustee and the address at which claims must be presented;

22 (c) A statement that claims against the trust estate that are not presented to the trustee within
 23 30 days after the date of the notice may be barred;

24 (d) The date of the notice, which shall be the date on which the notice is delivered or mailed;
 25 and

26 (e) A certified copy of the settlor's death record.

27 **SECTION 58.** ORS 130.425 is amended to read:

28 130.425. (1) Claims allowed against the trust estate under ORS 130.350 to 130.450 must be paid
 29 by the trustee in the following order of priority:

30 (a) Expenses of administering the trust estate.

31 (b) Expenses of a plain and decent funeral and disposition of the remains of the settlor.

32 (c) Debts and taxes with preference under federal law.

33 (d) Reasonable and necessary medical and hospital expenses of the last illness of the settlor,
 34 including compensation of persons attending the settlor.

35 (e) Taxes with preference under the laws of this state that are due and payable while possession
 36 of the trust estate of the settlor is retained by the trustee.

37 (f) Debts owed employees of the settlor for labor performed within 90 days immediately preced-
 38 ing the date of death of the settlor.

39 (g) Child support arrearages.

40 (h) Claims of the Department of Human Services and the Oregon [*Health Authority*] **Department**
 41 **of Health** for the net amount of public assistance, as defined in ORS 411.010, and for the net amount
 42 of medical assistance that may be recovered from an estate under ORS 416.350.

43 (i) Claims of the Department of Human Services and the Oregon [*Health Authority*] **Department**
 44 **of Health** for the care and maintenance of any settlor who was a patient at a state institution under
 45 ORS 179.610 to 179.770.

1 (j) All other claims against the trust estate.

2 (2) If the assets of the trust estate are insufficient to pay in full all expenses or claims of any
 3 one class specified in subsection (1) of this section, each expense or claim of that class shall be paid
 4 only in proportion to the amount thereof.

5 **SECTION 59.** ORS 135.139 is amended to read:

6 135.139. (1) When a person has been charged with a crime in which it appears from the nature
 7 of the charge that the transmission of body fluids from one person to another may have been in-
 8 volved, the district attorney, upon the request of the victim or the parent or guardian of a minor
 9 or incapacitated victim, shall seek the consent of the person charged to submit to a test for HIV
 10 and any other communicable disease. In the absence of such consent or failure to submit to the test,
 11 the district attorney may petition the court for an order requiring the person charged to submit to
 12 a test for HIV and any other communicable disease.

13 (2)(a) At the time of an appearance before a circuit court judge on a criminal charge, the judge
 14 shall inform every person arrested and charged with a crime, in which it appears from the nature
 15 of the charge that the transmission of body fluids from one person to another may have been in-
 16 volved, of the availability of testing for HIV and other communicable diseases and shall cause the
 17 alleged victim of such a crime, if any, or a parent or guardian of the victim, if any, to be notified
 18 that testing for HIV and other communicable diseases is available. The judge shall inform the person
 19 arrested and charged and the victim, or parent or guardian of the victim, of the availability of
 20 counseling under the circumstances described in subsection (7) of this section.

21 (b) Notwithstanding the provisions of ORS 433.045, if the district attorney files a petition under
 22 subsection (1) of this section, the court shall order the person charged to submit to testing if the
 23 court determines there is probable cause to believe that:

24 (A) The person charged committed the crime; and

25 (B) The victim has received a substantial exposure, as defined by rule of the Oregon [*Health*
 26 *Authority*] **Department of Health.**

27 (3) Notwithstanding the provisions of ORS 433.045, upon conviction of a person for any crime
 28 in which the court determines from the facts that the transmission of body fluids from one person
 29 to another was involved and if the person has not been tested pursuant to subsection (2) of this
 30 section, the court shall seek the consent of the convicted person to submit to a test for HIV and
 31 other communicable diseases. In the absence of such consent or failure to submit to the test, the
 32 court shall order the convicted person to submit to the test if the victim of the crime, or a parent
 33 or guardian of the victim, requests the court to make such order.

34 (4) When a test is ordered under subsection (2) or (3) of this section, the victim of the crime or
 35 a parent or guardian of the victim, shall designate an attending physician, a physician assistant li-
 36 censed under ORS 677.505 to 677.525 or a nurse practitioner licensed under ORS 678.375 to 678.390
 37 to receive such information on behalf of the victim.

38 (5) If an HIV test results in a negative reaction, the court may order the person to submit to
 39 another HIV test six months after the first test was administered.

40 (6) The result of any test ordered under this section is not a public record and shall be available
 41 only to:

42 (a) The victim.

43 (b) The parent or guardian of a minor or incapacitated victim.

44 (c) The attending physician, physician assistant or nurse practitioner.

45 (d) The Oregon [*Health Authority*] **Department of Health.**

1 (e) The person tested.

2 (7) If an HIV test ordered under this section results in a positive reaction, the individual subject
 3 to the test shall receive post-test counseling as required by the Oregon [*Health Authority*] **Depart-**
 4 **ment of Health** by rule. The results of HIV tests ordered under this section shall be reported to
 5 the [*authority*] **department**. Counseling and referral for appropriate health care, testing and support
 6 services as directed by the Director of the Oregon [*Health Authority*] **Department of Health** shall
 7 be provided to the victim or victims at the request of the victim or victims, or the parent or
 8 guardian of a minor or incapacitated victim.

9 (8) The costs of testing and counseling provided under subsections (2), (3) and (7) of this section
 10 shall be paid through the compensation for crime victims program authorized by ORS 147.005 to
 11 147.367 from amounts appropriated for such purposes. Restitution to the state for payment of the
 12 costs of any counseling provided under this section and for payment of the costs of any test ordered
 13 under this section shall be included by the court in any order requiring the convicted person to pay
 14 restitution.

15 (9) When a court orders a convicted person to submit to a test under this section, the with-
 16 drawal of blood may be performed only by a physician licensed under ORS chapter 677, a physician
 17 assistant licensed under ORS 677.505 to 677.525 or a nurse practitioner licensed under ORS 678.375
 18 to 678.390, or by another licensed health care provider acting within the provider’s licensed scope
 19 of practice or acting under the supervision of a physician licensed under ORS chapter 677, a physi-
 20 cian assistant licensed under ORS 677.505 to 677.525 or a nurse practitioner licensed under ORS
 21 678.375 to 678.390.

22 (10) No person authorized by subsection (9) of this section to withdraw blood, no person assist-
 23 ing in the performance of the test nor any medical care facility where blood is withdrawn or tested
 24 that has been ordered by the court to withdraw or test blood shall be liable in any civil or criminal
 25 action when the act is performed in a reasonable manner according to generally accepted medical
 26 practices.

27 (11) The results of tests or reports, or information therein, obtained under this section shall be
 28 confidential and shall not be divulged to any person not authorized by this section to receive the
 29 information. Any violation of this subsection is a Class C misdemeanor.

30 (12) As used in this section:

31 (a) “HIV test” means a test as defined in ORS 433.045.

32 (b) “Parent or guardian of the victim” means a custodial parent or legal guardian of a victim
 33 who is a minor or incapacitated person.

34 (c) “Positive reaction” means a positive HIV test with a positive confirmatory test result as
 35 specified by the Oregon [*Health Authority*] **Department of Health**.

36 (d) “Transmission of body fluids” means the transfer of blood, semen, vaginal secretions or other
 37 body fluids identified by rule of the [*authority*] **department**, from the perpetrator of a crime to the
 38 mucous membranes or potentially broken skin of the victim.

39 (e) “Victim” means the person or persons to whom transmission of body fluids from the
 40 perpetrator of the crime occurred or was likely to have occurred in the course of the crime.

41 **SECTION 60.** ORS 135.980 is amended to read:

42 135.980. (1) The Director of the Department of Corrections shall maintain a directory of public
 43 and private rehabilitative programs known and available to corrections agencies of the state and
 44 of each county. For purposes of this subsection, “rehabilitative program” means a planned activity,
 45 in a custodial or noncustodial context, designed and implemented to treat drug or alcohol abuse, to

1 prevent criminal sexual behavior, to modify a propensity to commit crimes against persons or prop-
 2 erty or to achieve restitution for losses caused by an offender and includes programs that employ
 3 the device of mediation between the victim and offender. Rehabilitative programs included in the
 4 directory that are designed and implemented to treat drug or alcohol abuse must meet minimum
 5 standards adopted by the Oregon [*Health Authority*] **Department of Health** under ORS 430.357. The
 6 director shall include:

7 (a) The name, address and telephone number of the program and the identity of its director or
 8 other principal contact;

9 (b) The geographical jurisdiction of the program;

10 (c) The types of offenders that the program claims to be able to serve and the criteria that the
 11 program applies in selecting or soliciting cases;

12 (d) The claims of the program regarding its effectiveness in reducing recidivism, achieving
 13 restitution or otherwise serving correctional objectives;

14 (e) An assessment by the relevant corrections agency of the actual effectiveness of the program;
 15 and

16 (f) The capacity of the program for new cases.

17 (2) The Director of the Department of Corrections shall make the directory available to the
 18 Oregon Criminal Justice Commission and to judges in a form that will allow sentencing judges to
 19 determine what rehabilitative programs are appropriate and available to the offender during any
 20 period of probation, imprisonment or local incarceration and post-prison supervision. The Director
 21 of the Department of Corrections shall also make the directory available to its employees who pre-
 22 pare presentence reports and proposed release plans for submission to the State Board of Parole and
 23 Post-Prison Supervision.

24 (3) The directory shall be updated as frequently as is practical, but no less often than every six
 25 months.

26 **SECTION 61.** ORS 137.227 is amended to read:

27 137.227. (1) After a defendant has been convicted of a crime, the court may cause the defendant
 28 to be evaluated to determine if the defendant is an alcoholic or a drug-dependent person, as those
 29 terms are defined in ORS 430.306. The evaluation shall be conducted by an agency or organization
 30 designated under subsection (2) of this section.

31 (2) The court shall designate agencies or organizations to perform the evaluations required un-
 32 der subsection (1) of this section. The designated agencies or organizations must meet the standards
 33 set by the Oregon [*Health Authority*] **Department of Health** to perform the evaluations for drug
 34 dependency and must be approved by the [*authority*] **department**. Wherever possible, a court shall
 35 designate agencies or organizations to perform the evaluations that are separate from those that
 36 may be designated to carry out a program of treatment for alcohol or drug dependency.

37 **SECTION 62.** ORS 137.228 is amended to read:

38 137.228. (1) When a defendant is sentenced for a crime, the court may enter a finding that the
 39 defendant is an alcoholic or a drug-dependent person, as those terms are defined in ORS 430.306.
 40 The finding may be based upon any evidence before the court, including, but not limited to, the facts
 41 of the case, stipulations of the parties and the results of any evaluation conducted under ORS
 42 137.227.

43 (2) When the court finds that the defendant is an alcoholic or a drug-dependent person, the
 44 court, when it sentences the defendant to a term of imprisonment, shall direct the Department of
 45 Corrections to place the defendant in an appropriate alcohol or drug treatment program, to the ex-

1 tent that resources are available. The alcohol or drug treatment program shall meet the standards
 2 promulgated by the Oregon [*Health Authority*] **Department of Health** pursuant to ORS 430.357.

3 **SECTION 63.** ORS 137.229 is amended to read:

4 137.229. The Department of Corrections, to the extent that funds are available, shall expand
 5 existing and establish new treatment programs for alcohol and drug dependency that meet minimum
 6 standards adopted by the Oregon [*Health Authority*] **Department of Health** pursuant to ORS
 7 430.357.

8 **SECTION 64.** ORS 137.300 is amended to read:

9 137.300. (1) The Criminal Fine Account is established in the General Fund. Except as otherwise
 10 provided by law, all amounts collected in state courts as monetary obligations in criminal actions
 11 shall be deposited by the courts in the account. All moneys in the account are continuously appro-
 12 priated to the Department of Revenue to be distributed by the Department of Revenue as provided
 13 in this section. The Department of Revenue shall keep a record of moneys transferred into and out
 14 of the account.

15 (2) The Legislative Assembly shall first allocate moneys from the Criminal Fine Account for the
 16 following purposes, in the following order of priority:

17 (a) Allocations for public safety standards, training and facilities.

18 (b) Allocations for criminal injuries compensation and assistance to victims of crime and chil-
 19 dren reasonably suspected of being victims of crime.

20 (c) Allocations for the forensic services provided by the Oregon State Police, including, but not
 21 limited to, services of the Chief Medical Examiner.

22 (d) Allocations for the maintenance and operation of the Law Enforcement Data System.

23 (3) After making allocations under subsection (2) of this section, the Legislative Assembly shall
 24 allocate moneys from the Criminal Fine Account for the following purposes:

25 (a) Allocations to the Law Enforcement Medical Liability Account established under ORS
 26 414.815.

27 (b) Allocations to the State Court Facilities and Security Account established under ORS 1.178.

28 (c) Allocations to the Department of Corrections for the purpose of planning, operating and
 29 maintaining county juvenile and adult corrections programs and facilities and drug and alcohol
 30 programs.

31 (d) Allocations to the Oregon [*Health Authority*] **Department of Health** for the purpose of
 32 grants under ORS 430.345 for the establishment, operation and maintenance of alcohol and drug
 33 abuse prevention, early intervention and treatment services provided through a county.

34 (e) Allocations to the Oregon State Police for the purpose of the enforcement of the laws relat-
 35 ing to driving under the influence of intoxicants.

36 (f) Allocations to the Arrest and Return Account established under ORS 133.865.

37 (g) Allocations to the Intoxicated Driver Program Fund established under ORS 813.270.

38 (h) Allocations to the State Court Technology Fund established under ORS 1.012.

39 (4) Notwithstanding subsections (2) and (3) of this section, the Legislative Assembly shall allo-
 40 cate all moneys deposited into the Criminal Fine Account as payment of fines on Class E violations
 41 to the Drug Treatment and Recovery Services Fund established under ORS 430.384.

42 (5) It is the intent of the Legislative Assembly that allocations from the Criminal Fine Account
 43 under subsection (3) of this section be consistent with historical funding of the entities, programs
 44 and accounts listed in subsection (3) of this section from monetary obligations imposed in criminal
 45 proceedings. Amounts that are allocated under subsection (3)(c) of this section shall be distributed

1 to counties based on the amounts that were transferred to counties by circuit courts during the
 2 2009-2011 biennium under the provisions of ORS 137.308, as in effect January 1, 2011.

3 (6) Moneys in the Criminal Fine Account may not be allocated for the payment of debt service
 4 obligations.

5 (7) The Department of Revenue shall deposit in the General Fund all moneys remaining in the
 6 Criminal Fine Account after the distributions listed in subsections (2), (3) and (4) of this section have
 7 been made.

8 (8) The Department of Revenue shall establish by rule a process for distributing moneys in the
 9 Criminal Fine Account. The department may not distribute more than one-eighth of the total
 10 biennial allocation to an entity during a calendar quarter.

11 **SECTION 65.** ORS 137.464 is amended to read:

12 137.464. (1)(a) At the death warrant hearing under ORS 137.463, the court shall order that the
 13 Oregon [*Health Authority*] **Department of Health** or its designee perform an assessment of the
 14 defendant's mental capacity to engage in reasoned choices of legal strategies and options if:

15 (A) The defendant indicates the wish to waive the right to counsel; and

16 (B) The court has substantial reason to believe that, due to mental incapacity, the defendant
 17 cannot engage in reasoned choices of legal strategies and options.

18 (b) The court also shall order an assessment described in paragraph (a) of this subsection upon
 19 motion by the state.

20 (2) If the requirements of subsection (1) of this section are met, the court may order the de-
 21 fendant to be committed to a state mental hospital designated by the [*authority*] **department** for a
 22 period not exceeding 30 days for the purpose of assessing the defendant's mental capacity. The re-
 23 port of any competency assessment performed under this section must include, but need not be lim-
 24 ited to, the following:

25 (a) A description of the nature of the assessment;

26 (b) A statement of the mental condition of the defendant; and

27 (c) A statement regarding the defendant's mental capacity to engage in reasoned choices of legal
 28 strategies and options.

29 (3) If the competency assessment cannot be conducted because the defendant is unwilling to
 30 participate, the report must so state and must include, if possible, an opinion as to whether the
 31 unwillingness of the defendant is the result of a mental condition affecting the defendant's mental
 32 capacity to engage in reasoned choices of legal strategies and options.

33 (4) The [*authority*] **department** shall file three copies of the report of the competency assess-
 34 ment with the clerk of the court, who shall cause copies to be delivered to the district attorney and
 35 to counsel for the defendant.

36 **SECTION 66.** ORS 137.466 is amended to read:

37 137.466. (1) If the court has ordered the Oregon [*Health Authority*] **Department of Health** to
 38 perform a competency assessment of the defendant under ORS 137.464 and the assessment has been
 39 completed, the court shall determine the issue of the defendant's mental capacity to engage in rea-
 40 soned choices of legal strategies and options. If neither the state nor counsel for the defendant
 41 contests the finding of the report filed under ORS 137.464, the court may make the determination
 42 of the defendant's mental capacity to engage in reasoned choices of legal strategies and options on
 43 the basis of the report. If the finding is contested, the court shall hold a hearing on the issue. If the
 44 report is received in evidence at the hearing, the party contesting the finding has the right to
 45 summon and to cross-examine the psychiatrist or psychologist who submitted the report and to offer

1 evidence on the issue. Either party may introduce other evidence regarding the defendant’s mental
 2 capacity to engage in reasoned choices of legal strategies and options.

3 (2) If the court determines that, due to mental incapacity, the defendant cannot engage in rea-
 4 soned choices of legal strategies and options, the court shall continue the appointment of counsel
 5 provided under ORS 137.463.

6 (3) No appeal may be taken from an order issued pursuant to this section.

7 **SECTION 67.** ORS 137.476 is amended to read:

8 137.476. (1) Notwithstanding any other law, a licensed health care professional or a nonlicensed
 9 medically trained person may assist the Department of Corrections in an execution carried out un-
 10 der ORS 137.473.

11 (2) Any assistance rendered in an execution carried out under ORS 137.473 by a licensed health
 12 care professional or a nonlicensed medically trained person is not cause for disciplinary measures
 13 or regulatory oversight by any board, commission or agency created by this state or governed by
 14 state law that oversees or regulates the practice of health care professionals including, but not
 15 limited to, the Oregon Medical Board, the Oregon State Board of Nursing and the Oregon [*Health*
 16 *Authority*] **Department of Health.**

17 (3) The infliction of the punishment of death by the administration of the required lethal sub-
 18 stances in the manner required by ORS 137.473 may not be construed to be the practice of medicine.

19 (4) As used in this section, “licensed health care professional” includes, but is not limited to, a
 20 physician, physician assistant, nurse practitioner or nurse licensed by the Oregon Medical Board
 21 or the Oregon State Board of Nursing or an emergency medical services provider licensed by the
 22 Oregon [*Health Authority*] **Department of Health.**

23 **SECTION 68.** ORS 137.658 is amended to read:

24 137.658. (1) The chairperson of the Oregon Criminal Justice Commission may create any com-
 25 mittees within the commission as the chairperson may think necessary. Persons who are not com-
 26 mission members may be appointed as members to serve on the committees with the approval of the
 27 commission.

28 (2) The chairperson shall appoint members of committees created under this section in such a
 29 manner as to ensure representation from all segments of the criminal justice system that are af-
 30 fected by the work of the committee. In selecting members for committee assignments, the chair-
 31 person shall consider, but is not limited to, representatives from the following:

- 32 (a) The Attorney General;
- 33 (b) The Director of the Department of Corrections;
- 34 (c) The chairperson of the State Board of Parole and Post-Prison Supervision;
- 35 (d) The Superintendent of State Police;
- 36 (e) The chief administrative employee of the Psychiatric Security Review Board;
- 37 (f) The Director of Human Services;
- 38 (g) The Director of the Oregon [*Health Authority*] **Department of Health;**
- 39 (h) The Director of the Oregon Youth Authority;
- 40 (i) Trial judges;
- 41 (j) Judges of the Oregon Supreme Court or Court of Appeals;
- 42 (k) Majority and minority parties of the House of Representatives and the Senate;
- 43 (L) District attorneys;
- 44 (m) Criminal defense attorneys;
- 45 (n) County sheriffs;

- 1 (o) County commissioners;
- 2 (p) County community corrections directors;
- 3 (q) Chiefs of police;
- 4 (r) Victims of crime;
- 5 (s) The public at large;
- 6 (t) The director of a nonprofit entity created for the purpose of increasing understanding of the
- 7 adult and juvenile justice systems and promotion of effective policies for prevention and control of
- 8 crime; and
- 9 (u) Private contract providers.

10 (3)(a) The chairperson shall establish an advisory committee for the commission.

11 (b) The purpose of the advisory committee is to evaluate and report on how funds are distributed

12 under the Justice Reinvestment Program, with the goal of making recommendations for legislative

13 changes so that funds are effectively serving:

- 14 (A) Racial and ethnic minorities;
- 15 (B) Women;
- 16 (C) Lesbian, gay, bisexual, transgender, queer and other minority gender identity communities;
- 17 and
- 18 (D) Other historically underserved communities.

19 (c) When appointing members of the advisory committee, the chairperson shall make appoint-

20 ments with consideration of geographic, racial, ethnic and gender diversity. A majority of members

21 must represent historically underserved communities. The members must include:

- 22 (A) One member with expertise in program design and evaluation and experience in data col-
- 23 lection and analysis of racial and ethnic demographic information.
- 24 (B) Two members representing community-based service providers, one of which must be a vic-
- 25 tim services provider, that serve historically underserved communities.
- 26 (C) Two members who are also members of the Justice Reinvestment Grant Review Committee.
- 27 (D) Two members representing historically underserved communities.

28 (d) No later than September 15, 2020, the commission shall provide a report, to the Governor

29 and to the subcommittee of the Joint Committee on Ways and Means with authority over the budget

30 of the commission, with recommendations from the advisory committee on how the commission can

31 increase equity in the allocation of public safety funds with a particular focus on the Justice Rein-

32 vestment Program. The report may include but is not limited to:

- 33 (A) Recommendations for changing grant review criteria.
- 34 (B) Recommendations for changing the data collection and reporting requirements.
- 35 (C) Recommendations on technical assistance needed by the commission.

36 (e) The commission may provide a per diem and reimbursement of expenses for members of the

37 advisory committee.

38 **SECTION 69.** ORS 137.658, as amended by section 5, chapter 598, Oregon Laws 2019, is

39 amended to read:

40 137.658. (1) The chairperson of the Oregon Criminal Justice Commission may create any com-

41 mittees within the commission as the chairperson may think necessary. Persons who are not com-

42 mission members may be appointed as members to serve on the committees with the approval of the

43 commission.

44 (2) The chairperson shall appoint members of committees created under this section in such a

45 manner as to ensure representation from all segments of the criminal justice system that are af-

1 fected by the work of the committee. In selecting members for committee assignments, the chair-
 2 person shall consider, but is not limited to, representatives from the following:

- 3 (a) The Attorney General;
- 4 (b) The Director of the Department of Corrections;
- 5 (c) The chairperson of the State Board of Parole and Post-Prison Supervision;
- 6 (d) The Superintendent of State Police;
- 7 (e) The chief administrative employee of the Psychiatric Security Review Board;
- 8 (f) The Director of Human Services;
- 9 (g) The Director of the Oregon [*Health Authority*] **Department of Health**;
- 10 (h) The Director of the Oregon Youth Authority;
- 11 (i) Trial judges;
- 12 (j) Judges of the Oregon Supreme Court or Court of Appeals;
- 13 (k) Majority and minority parties of the House of Representatives and the Senate;
- 14 (L) District attorneys;
- 15 (m) Criminal defense attorneys;
- 16 (n) County sheriffs;
- 17 (o) County commissioners;
- 18 (p) County community corrections directors;
- 19 (q) Chiefs of police;
- 20 (r) Victims of crime;
- 21 (s) The public at large;
- 22 (t) The director of a nonprofit entity created for the purpose of increasing understanding of the
 23 adult and juvenile justice systems and promotion of effective policies for prevention and control of
 24 crime; and
- 25 (u) Private contract providers.

26 **SECTION 70.** ORS 137.924 is amended to read:

27 137.924. When a defendant is committed to the supervisory authority of the county pursuant to
 28 ORS 137.124, the supervisory authority shall forward the name, date of birth and Social Security
 29 number of the defendant to:

- 30 (1) The Director of the Employment Department for purposes of making a determination of el-
 31 igibility under ORS 657.155;
- 32 (2) The Director of the Oregon [*Health Authority*] **Department of Health**, or the director's
 33 designee, for the purposes of suspending any medical assistance as defined in ORS 414.025; and
- 34 (3) The Director of Human Services, or the director's designee, for the purposes of suspending
 35 any public assistance as defined in ORS 411.010.

36 **SECTION 71.** ORS 144.102, as amended by section 11, chapter 78, Oregon Laws 2022, is
 37 amended to read:

38 144.102. (1) The State Board of Parole and Post-Prison Supervision or local supervisory authority
 39 responsible for correctional services for a person shall specify in writing the conditions of post-
 40 prison supervision imposed under ORS 144.096. A copy of the conditions must be given to the person
 41 upon release from prison or jail.

42 (2) The board or the supervisory authority shall determine, and may at any time modify, the
 43 conditions of post-prison supervision, which may include, among other conditions, that the person
 44 shall:

- 45 (a) Comply with the conditions of post-prison supervision as specified by the board or supervi-

1 sory authority.

2 (b) Be under the supervision of the Department of Corrections and its representatives or other
3 supervisory authority and abide by their direction and counsel.

4 (c) Answer all reasonable inquiries of the board, the department or the supervisory authority.

5 (d) Report to the parole officer as directed by the board, the department or the supervisory au-
6 thority.

7 (e) Not own, possess or be in control of any weapon.

8 (f) Respect and obey all municipal, county, state and federal laws, and in circumstances in which
9 state and federal law conflict, obey state law.

10 (g) Understand that the board or supervisory authority may, at its discretion, punish violations
11 of post-prison supervision.

12 (h) Attend a victim impact treatment session in a county that has a victim impact program.

13 (i) For crimes constituting delivery of a controlled substance, as those terms are defined in ORS
14 475.005, or for telephonic harassment under ORS 166.090, or for crimes involving domestic violence,
15 as defined in ORS 135.230, be prohibited from using Internet websites that provide anonymous text
16 message services.

17 (3) If the person is required to report as a sex offender under ORS 163A.010, the board or su-
18 pervisory authority shall include as a condition of post-prison supervision that the person report
19 with the Department of State Police, a city police department, a county sheriff's office or the
20 supervising agency:

21 (a) When supervision begins;

22 (b) Within 10 days of a change in residence;

23 (c) Once each year within 10 days of the person's date of birth;

24 (d) Within 10 days of the first day the person works at, carries on a vocation at or attends an
25 institution of higher education; and

26 (e) Within 10 days of a change in work, vocation or attendance status at an institution of higher
27 education.

28 (4)(a) The board or supervisory authority may establish special conditions that the board or su-
29 pervisory authority considers necessary because of the individual circumstances of the person on
30 post-prison supervision.

31 (b) If the person is on post-prison supervision following conviction of a sex crime, as defined in
32 ORS 163A.005, the board or supervisory authority shall include all of the following as special con-
33 ditions of the person's post-prison supervision:

34 (A) Agreement to comply with a curfew set by the board, the supervisory authority or the
35 supervising officer.

36 (B) A prohibition against contacting a person under 18 years of age without the prior written
37 approval of the board, supervisory authority or supervising officer.

38 (C) A prohibition against being present more than one time, without the prior written approval
39 of the board, supervisory authority or supervising officer, at a place where persons under 18 years
40 of age regularly congregate.

41 (D) In addition to the prohibition under subparagraph (C) of this paragraph, a prohibition
42 against being present, without the prior written approval of the board, supervisory authority or
43 supervising officer, at, or on property adjacent to, a school, child care center, playground or other
44 place intended for use primarily by persons under 18 years of age.

45 (E) A prohibition against working or volunteering at a school, child care center, park, play-

1 ground or other place where persons under 18 years of age regularly congregate.

2 (F) Entry into and completion of or successful discharge from a sex offender treatment program
 3 approved by the board, supervisory authority or supervising officer. The program may include
 4 polygraph and plethysmograph testing. The person is responsible for paying for the treatment pro-
 5 gram.

6 (G) A prohibition against direct or indirect contact with the victim, unless approved by the
 7 victim, the person’s treatment provider and the board, supervisory authority or supervising officer.

8 (H) Unless otherwise indicated for the treatment required under subparagraph (F) of this para-
 9 graph, a prohibition against viewing, listening to, owning or possessing sexually stimulating visual
 10 or auditory materials that are relevant to the person’s deviant behavior.

11 (I) Agreement to consent to a search of the person or the vehicle or residence of the person
 12 upon the request of a representative of the board or supervisory authority if the representative has
 13 reasonable grounds to believe that evidence of a violation of a condition of post-prison supervision
 14 will be found.

15 (J) Participation in random polygraph examinations to obtain information for risk management
 16 and treatment. The person is responsible for paying the expenses of the examinations. The results
 17 of a polygraph examination under this subparagraph may not be used in evidence in a hearing to
 18 prove a violation of post-prison supervision.

19 (K) Maintenance of a driving log and a prohibition against driving a motor vehicle alone unless
 20 approved by the board, supervisory authority or supervising officer.

21 (L) A prohibition against using a post-office box unless approved by the board, supervisory au-
 22 thority or supervising officer.

23 (M) A prohibition against residing in a dwelling in which another sex offender who is on pro-
 24 bation, parole or post-prison supervision resides unless approved by the board, supervisory authority
 25 or supervising officer, or in which more than one other sex offender who is on probation, parole or
 26 post-prison supervision resides unless approved by the board or the director of the supervisory au-
 27 thority, or a designee of the board or director. As soon as practicable, the supervising officer of a
 28 person subject to the requirements of this subparagraph shall review the person’s living arrange-
 29 ment with the person’s sex offender treatment provider to ensure that the arrangement supports the
 30 goals of offender rehabilitation and community safety.

31 (c)(A) If the person is on post-prison supervision following conviction of a sex crime, as defined
 32 in ORS 163A.005, or an assault, as defined in ORS 163.175 or 163.185, and the victim was under 18
 33 years of age, the board or supervisory authority, if requested by the victim, shall include as a special
 34 condition of the person’s post-prison supervision that the person not reside within three miles of the
 35 victim unless:

36 (i) The victim resides in a county having a population of less than 130,000 and the person is
 37 required to reside in that county under subsection (7) of this section;

38 (ii) The person demonstrates to the board or supervisory authority by a preponderance of the
 39 evidence that no mental intimidation or pressure was brought to bear during the commission of the
 40 crime;

41 (iii) The person demonstrates to the board or supervisory authority by a preponderance of the
 42 evidence that imposition of the condition will deprive the person of a residence that would be
 43 materially significant in aiding in the rehabilitation of the person or in the success of the post-prison
 44 supervision; or

45 (iv) The person resides in a halfway house.

1 (B) A victim may request imposition of the special condition of post-prison supervision described
 2 in this paragraph at the time of sentencing in person or through the prosecuting attorney. A victim's
 3 request may be included in the judgment document.

4 (C) If the board or supervisory authority imposes the special condition of post-prison supervision
 5 described in this paragraph and if at any time during the period of post-prison supervision the victim
 6 moves to within three miles of the person's residence, the board or supervisory authority may not
 7 require the person to change the person's residence in order to comply with the special condition
 8 of post-prison supervision.

9 (d)(A) If a person is on post-prison supervision following conviction of stalking under ORS
 10 163.732 (2)(b) or violating a court's stalking protective order under ORS 163.750 (2)(b), the board or
 11 supervisory authority may include as a special condition of the person's post-prison supervision
 12 reasonable residency restrictions.

13 (B) If the board or supervisory authority imposes the special condition of post-prison supervision
 14 described in this paragraph and if at any time during the period of post-prison supervision the victim
 15 moves to a location that causes the person to be in violation of the special condition of post-prison
 16 supervision, the board or supervisory authority may not require the person to change the person's
 17 residence in order to comply with the special condition of post-prison supervision.

18 (5)(a) The board or supervisory authority may require the person to pay, as a condition of
 19 post-prison supervision, compensatory fines, restitution or attorney fees:

20 (A) As determined, imposed or required by the sentencing court; or

21 (B) When previously required as a condition of any type of supervision that is later revoked.

22 (b) The board may require a person to pay restitution as a condition of post-prison supervision
 23 imposed for an offense other than the offense for which the restitution was ordered if the person:

24 (A) Was ordered to pay restitution as a result of another conviction; and

25 (B) Has not fully paid the restitution by the time the person has completed the period of post-
 26 prison supervision imposed for the offense for which the restitution was ordered.

27 (6) A person's failure to apply for or accept employment at a workplace where there is a labor
 28 dispute in progress does not constitute a violation of the conditions of post-prison supervision.

29 (7)(a) When a person is released from imprisonment on post-prison supervision, the board shall
 30 order as a condition of post-prison supervision that the person reside for the first six months after
 31 release in the county that last supervised the person, if the person was on active supervision as an
 32 adult for a felony at the time of the offense that resulted in the imprisonment.

33 (b) If the person was not on active supervision as an adult for a felony at the time of the offense
 34 that resulted in the imprisonment, the board shall order as a condition of post-prison supervision
 35 that the person reside for the first six months after release in the county where the person resided
 36 at the time of the offense that resulted in the imprisonment.

37 (c) For purposes of paragraph (b) of this subsection:

38 (A) The board shall determine the county where the person resided at the time of the offense
 39 by examining records such as:

40 (i) An Oregon driver license, regardless of its validity;

41 (ii) Records maintained by the Department of Revenue;

42 (iii) Records maintained by the Department of State Police;

43 (iv) Records maintained by the Department of Human Services;

44 (v) Records maintained by the Department of Corrections; and

45 (vi) Records maintained by the Oregon *[Health Authority]* **Department of Health.**

1 (B) If the person did not have an identifiable address at the time of the offense, or the address
 2 cannot be determined, the person is considered to have resided in the county where the offense oc-
 3 curred.

4 (C) If the person is serving multiple sentences, the county of residence is determined according
 5 to the date of the last arrest resulting in a conviction.

6 (D) In determining the person’s county of residence, the board may not consider offenses com-
 7 mitted by the person while the person was incarcerated in a Department of Corrections facility.

8 (d) Upon motion of the board, the supervisory authority, the person, a victim or a district at-
 9 torney, the board may waive the residency condition under paragraph (b) of this subsection only
 10 after making a finding that one of the following conditions has been met:

11 (A) The person provides proof of employment with no set ending date in a county other than the
 12 county of residence determined under paragraph (c) of this section;

13 (B) The person is found to pose a significant danger to a victim of the person’s crime residing
 14 in the county of residence, or a victim or victim’s family residing in the county of residence is found
 15 to pose a significant danger to the person;

16 (C) The person has a spouse or biological or adoptive family residing in a county other than the
 17 county of residence who will be materially significant in aiding in the rehabilitation of the person
 18 and in the success of the post-prison supervision;

19 (D) As another condition of post-prison supervision, the person is required to participate in a
 20 treatment program that is not available in the county of residence;

21 (E) The person requests release to another state; or

22 (F) The board finds other good cause for the waiver.

23 (e) The board shall consider eligibility for transitional housing programs and residential treat-
 24 ment programs when determining whether to waive the residency condition under paragraph (b) of
 25 this subsection, and the acceptance of the person into a transitional housing program or a residen-
 26 tial treatment program constitutes good cause as described in paragraph (d)(F) of this subsection.

27 (8) As used in this section:

28 (a) “Attends,” “carries on a vocation,” “institution of higher education” and “works” have the
 29 meanings given those terms in ORS 163A.005.

30 (b)(A) “Dwelling” has the meaning given that term in ORS 469B.100.

31 (B) “Dwelling” does not mean a residential treatment facility or a halfway house.

32 (c) “Halfway house” means a residential facility that provides rehabilitative care and treatment
 33 for sex offenders.

34 (d) “Labor dispute” has the meaning given that term in ORS 662.010.

35 **SECTION 72.** ORS 144.270 is amended to read:

36 144.270. (1) The State Board of Parole and Post-Prison Supervision, in releasing a person on
 37 parole, shall specify in writing the conditions of the parole. A copy of the conditions must be given
 38 to the person paroled.

39 (2) The board shall determine, and may at any time modify, the conditions of parole, which may
 40 include, among other conditions, that the person paroled must:

41 (a) Accept the parole granted subject to all terms and conditions specified by the board.

42 (b) Be under the supervision of the Department of Corrections and its representatives and abide
 43 by their direction and counsel.

44 (c) Answer all reasonable inquiries of the board or the parole officer.

45 (d) Report to the parole officer as directed by the board or parole officer.

- 1 (e) Not own, possess or be in control of a weapon.
- 2 (f) Respect and obey all municipal, county, state and federal laws.
- 3 (g) Understand that the board may, in its discretion, suspend or revoke parole if it determines
- 4 that the parole is not in the best interest of the person paroled or of society.
- 5 (3) If the person paroled is required to report as a sex offender under ORS 163A.010, the board
- 6 shall include as a condition of parole that the person report with the Department of State Police,
- 7 a city police department, a county sheriff's office or the supervising agency:
- 8 (a) When supervision begins;
- 9 (b) Within 10 days of a change in residence;
- 10 (c) Once each year within 10 days of the person's date of birth;
- 11 (d) Within 10 days of the first day the person works at, carries on a vocation at or attends an
- 12 institution of higher education; and
- 13 (e) Within 10 days of a change in work, vocation or attendance status at an institution of higher
- 14 education.
- 15 (4)(a) The board may establish special conditions that it considers necessary because of the in-
- 16 dividual circumstances of the person paroled.
- 17 (b) If the person is on parole following conviction of a sex crime, as defined in ORS 163A.005,
- 18 the board shall include all of the following as special conditions of the person's parole:
- 19 (A) Agreement to comply with a curfew set by the board or the supervising officer.
- 20 (B) A prohibition against contacting a person under 18 years of age without the prior written
- 21 approval of the board or supervising officer.
- 22 (C) A prohibition against being present more than one time, without the prior written approval
- 23 of the board or supervising officer, at a place where persons under 18 years of age regularly con-
- 24 gregate.
- 25 (D) In addition to the prohibition under subparagraph (C) of this paragraph, a prohibition
- 26 against being present, without the prior written approval of the board or supervising officer, at, or
- 27 on property adjacent to, a school, child care center, playground or other place intended for use
- 28 primarily by persons under 18 years of age.
- 29 (E) A prohibition against working or volunteering at a school, child care center, park, play-
- 30 ground or other place where persons under 18 years of age regularly congregate.
- 31 (F) Entry into and completion of or successful discharge from a sex offender treatment program
- 32 approved by the board or supervising officer. The program may include polygraph and
- 33 plethysmograph testing. The person is responsible for paying for the treatment program.
- 34 (G) A prohibition against direct or indirect contact with the victim, unless approved by the
- 35 victim, the person's treatment provider and the board or supervising officer.
- 36 (H) Unless otherwise indicated for the treatment required under subparagraph (F) of this para-
- 37 graph, a prohibition against viewing, listening to, owning or possessing sexually stimulating visual
- 38 or auditory materials that are relevant to the person's deviant behavior.
- 39 (I) Agreement to consent to a search of the person or the vehicle or residence of the person
- 40 upon the request of a representative of the board if the representative has reasonable grounds to
- 41 believe that evidence of a violation of a condition of parole will be found.
- 42 (J) Participation in random polygraph examinations to obtain information for risk management
- 43 and treatment. The person is responsible for paying the expenses of the examinations. The results
- 44 of a polygraph examination under this subparagraph may not be used in evidence in a hearing to
- 45 prove a violation of parole.

1 (K) Maintenance of a driving log and a prohibition against driving a motor vehicle alone unless
 2 approved by the board or supervising officer.

3 (L) A prohibition against using a post-office box unless approved by the board or supervising
 4 officer.

5 (M) A prohibition against residing in a dwelling in which another sex offender who is on pro-
 6 bation, parole or post-prison supervision resides unless approved by the board or supervising officer,
 7 or in which more than one other sex offender who is on probation, parole or post-prison supervision
 8 resides unless approved by the board or a designee of the board. As soon as practicable, the super-
 9 vising officer of a person subject to the requirements of this subparagraph shall review the person's
 10 living arrangement with the person's sex offender treatment provider to ensure that the arrangement
 11 supports the goals of offender rehabilitation and community safety.

12 (c)(A) If the person is on parole following conviction of a sex crime, as defined in ORS 163A.005,
 13 or an assault, as defined in ORS 163.175 or 163.185, and the victim was under 18 years of age, the
 14 board, if requested by the victim, shall include as a special condition of the person's parole that the
 15 person not reside within three miles of the victim unless:

16 (i) The victim resides in a county having a population of less than 130,000 and the person is
 17 required to reside in that county under subsection (6) of this section;

18 (ii) The person demonstrates to the board by a preponderance of the evidence that no mental
 19 intimidation or pressure was brought to bear during the commission of the crime;

20 (iii) The person demonstrates to the board by a preponderance of the evidence that imposition
 21 of the condition will deprive the person of a residence that would be materially significant in aiding
 22 in the rehabilitation of the person or in the success of the parole; or

23 (iv) The person resides in a halfway house.

24 (B) A victim may request imposition of the special condition of parole described in this para-
 25 graph at the time of sentencing in person or through the prosecuting attorney. A victim's request
 26 may be included in the judgment document.

27 (C) If the board imposes the special condition of parole described in this paragraph and if at any
 28 time during the period of parole the victim moves to within three miles of the parolee's residence,
 29 the board may not require the parolee to change the parolee's residence in order to comply with the
 30 special condition of parole.

31 (5) It is not a cause for revocation of parole that the person paroled failed to apply for or accept
 32 employment at a workplace where there is a labor dispute in progress.

33 (6)(a) When the board grants a person parole from the custody of the Department of Corrections,
 34 the board shall order, as a condition of parole, that the person reside for the first six months in the
 35 county that last supervised the person, if the person was on active supervision as an adult for a
 36 felony at the time of the offense that resulted in the imprisonment.

37 (b) If the person paroled was not on active supervision as an adult for a felony at the time of
 38 the offense that resulted in the imprisonment, the board shall order as a condition of parole that the
 39 person reside for the first six months in the county where the person resided at the time of the of-
 40 fense that resulted in the imprisonment.

41 (c) For purposes of paragraph (b) of this subsection:

42 (A) The board shall determine the county where the person resided at the time of the offense
 43 by examining records such as:

44 (i) An Oregon driver license, regardless of its validity;

45 (ii) Records maintained by the Department of Revenue;

- 1 (iii) Records maintained by the Department of State Police;
- 2 (iv) Records maintained by the Department of Human Services;
- 3 (v) Records maintained by the Department of Corrections; and
- 4 (vi) Records maintained by the Oregon [*Health Authority*] **Department of Health**.

5 (B) If the person did not have an identifiable address at the time of the offense, or the address
6 cannot be determined, the person is considered to have resided in the county where the offense oc-
7 curred.

8 (C) If the person is serving multiple sentences, the county of residence is determined according
9 to the date of the last arrest resulting in a conviction.

10 (D) If the person is being rereleased after revocation of parole, the county of residence shall be
11 determined according to the date of the arrest resulting in a conviction of the underlying offense.

12 (E) In determining the person’s county of residence, a conviction for an offense that the adult
13 in custody committed while incarcerated in a state correctional institution may not be considered.

14 (d) Upon motion of the board, the supervisory authority, the person paroled, a victim or a dis-
15 trict attorney, the board may waive the residency condition under paragraph (b) of this subsection
16 only after making a finding that one of the following conditions has been met:

17 (A) The person provides proof of employment with no set ending date in a county other than the
18 county of residence determined under paragraph (c) of this section;

19 (B) The person is found to pose a significant danger to a victim of the person’s crime residing
20 in the county of residence, or a victim or victim’s family residing in the county of residence is found
21 to pose a significant danger to the person;

22 (C) The person has a spouse or biological or adoptive family residing in a county other than the
23 county of residence who will be materially significant in aiding in the rehabilitation of the person
24 and in the success of the parole;

25 (D) As another condition of parole, the person is required to participate in a treatment program
26 that is not available or located in the county of residence;

27 (E) The person requests to be paroled to another state; or

28 (F) The board finds other good cause for the waiver.

29 (7) As used in this section:

30 (a) “Attends,” “carries on a vocation,” “institution of higher education” and “works” have the
31 meanings given those terms in ORS 163A.005.

32 (b)(A) “Dwelling” has the meaning given that term in ORS 469B.100.

33 (B) “Dwelling” does not mean a residential treatment facility or a halfway house.

34 (c) “Halfway house” means a residential facility that provides rehabilitative care and treatment
35 for sex offenders.

36 (d) “Labor dispute” has the meaning given that term in ORS 662.010.

37 **SECTION 73.** ORS 161.315 is amended to read:

38 161.315. (1) Upon filing of notice or the introduction of evidence by the defendant as provided
39 in ORS 161.309, the state shall have the right to have at least one psychiatrist or licensed psychol-
40 ogist of its selection examine the defendant. The state shall file notice with the court of its intention
41 to have the defendant examined.

42 (2)(a) Upon filing of the notice, the court, in its discretion, may order the defendant committed
43 to a state mental hospital or any other suitable facility, if the defendant is 18 years of age or older,
44 for observation and examination, which may include treatment as permitted by law.

45 (b) If the defendant is under 18 years of age, upon filing of the notice, the court, in its discretion,

1 may order the defendant committed to a secure intensive community inpatient facility designated
2 by the Oregon [*Health Authority*] **Department of Health** for examination.

3 (c) The state mental hospital or other facility may retain custody of a defendant committed un-
4 der this subsection only for the duration necessary to complete the observation and examination of
5 the defendant, not to exceed 30 days.

6 (3) If the defendant objects to the examiner chosen by the state, the court for good cause shown
7 may direct the state to select a different examiner.

8 (4) An examiner performing an examination on the issue of insanity of a defendant under this
9 section is not obligated to examine the defendant for fitness to proceed unless, during the examina-
10 tion, the examiner determines that the defendant's fitness to proceed is drawn in question. If, during
11 the examination, the examiner determines that the defendant's fitness to proceed is in doubt, the
12 examiner shall report the issue to the court and to the superintendent of the state mental hospital
13 or the superintendent's designee, or to the director of the facility to which the defendant is com-
14 mitted. The superintendent or director may:

15 (a) Return the defendant to the facility from which the defendant was transported; or

16 (b) Inform the court and the parties that the defendant should remain at the state mental hos-
17 pital or other facility for the purpose of an examination under ORS 161.365. If neither party objects,
18 the court may order an examination under ORS 161.365 without holding a hearing.

19 (5) A report resulting from an examination under this section may be filed with the court elec-
20 tronically.

21 (6)(a) Reports resulting from examinations conducted under this section are confidential and may
22 be made available only:

23 (A) To the court, prosecuting attorney, defense attorney, agent of the prosecuting or defense
24 attorney, defendant, community mental health program director or designee and any facility in
25 which the defendant is housed; or

26 (B) As ordered by a court.

27 (b) Any facility in which a defendant is housed may not use a report prepared under this section
28 to support a disciplinary action against the defendant.

29 (c) Nothing in this subsection prohibits the prosecuting attorney, defense attorney or agent of
30 the prosecuting or defense attorney from discussing the contents of a report prepared under this
31 section with witnesses or victims as otherwise permitted by law.

32 **SECTION 74.** ORS 161.328 is amended to read:

33 161.328. (1) After the defendant is found guilty except for insanity pursuant to ORS 161.319, the
34 court shall order a person committed to a state mental hospital or other facility designated by the
35 Oregon [*Health Authority*] **Department of Health** if:

36 (a) Each offense for which the person is found guilty except for insanity is a misdemeanor; and

37 (b) The court finds that the person is affected by a qualifying mental disorder and presents a
38 substantial danger to others that requires commitment.

39 (2) The total period of commitment under this section may not exceed the maximum sentence
40 provided by statute for the crime for which the person was found guilty except for insanity.

41 (3) If the superintendent of the state mental hospital or the director of the facility to which the
42 person is committed determines that a person committed under this section is no longer affected by
43 a qualifying mental disorder or, if so affected, no longer presents a substantial danger to others that
44 requires commitment, the superintendent or director shall file notice of that determination with the
45 committing court. Upon filing of the notice, the superintendent or director shall discharge the per-

1 son from custody.

2 **SECTION 75.** ORS 161.365 is amended to read:

3 161.365. (1)(a) When the court has reason to doubt the defendant's fitness to proceed by reason
 4 of incapacity as described in ORS 161.360, the court may call any witness to assist it in reaching
 5 its decision and, except as provided in paragraph (b) of this subsection, shall order that a community
 6 mental health program director, or the director's designee, consult with the defendant and with any
 7 local entity that would be responsible for providing community restoration services to the defendant
 8 if the defendant were to be released in the community, to determine whether appropriate community
 9 restoration services are present and available in the community. After the consultation, the program
 10 director or the director's designee shall provide to the court a copy of the findings resulting from
 11 the consultation.

12 (b) If the defendant is charged with one or more of the following offenses the court is not re-
 13 quired to, but may in its discretion, order the consultation described in paragraph (a) of this sub-
 14 section:

15 (A) Aggravated murder;

16 (B) Murder in any degree;

17 (C) Attempted aggravated murder;

18 (D) Attempted murder in any degree;

19 (E) Manslaughter in any degree;

20 (F) Aggravated vehicular homicide;

21 (G) Arson in the first degree when classified as crime category 10 of the sentencing guidelines
 22 grid of the Oregon Criminal Justice Commission;

23 (H) Assault in the first degree;

24 (I) Assault in the second degree;

25 (J) Kidnapping in the first degree;

26 (K) Kidnapping in the second degree;

27 (L) Rape in the first degree;

28 (M) Sodomy in the first degree;

29 (N) Unlawful sexual penetration in the first degree;

30 (O) Robbery in the first degree; or

31 (P) Robbery in the second degree.

32 (c) If the court determines the assistance of a psychiatrist or psychologist would be helpful, the
 33 court may:

34 (A) Order that a psychiatric or psychological examination of the defendant be conducted by a
 35 certified evaluator and a report of the examination be prepared; or

36 (B) Order the defendant to be committed for the purpose of an examination to a state mental
 37 hospital or other facility designated by the Oregon [*Health Authority*] **Department of Health** if the
 38 defendant is at least 18 years of age, or to a secure intensive community inpatient facility designated
 39 by the [*authority*] **department** if the defendant is under 18 years of age. The state mental hospital
 40 or other facility may retain custody of a defendant committed under this paragraph for the duration
 41 necessary to complete the examination of the defendant, not to exceed 30 days. The examination
 42 may include a period of observation.

43 (d) The court shall provide a copy of any order entered under this subsection to the community
 44 mental health program director or designee and to the state mental hospital or other facility by the
 45 end of the next judicial day.

1 (2)(a) A defendant committed under subsection (1)(c)(B) of this section shall be transported to
2 the state mental hospital or other facility for the examination.

3 (b) At the conclusion of the examination, the superintendent of the state mental hospital or the
4 superintendent's designee or the director of the facility may:

5 (A) Return the defendant to the facility from which the defendant was transported; or

6 (B) Inform the court and the parties that the defendant requires a hospital level of care due to
7 the acuity of symptoms of the defendant's qualifying mental disorder and request that the defendant
8 remain at the state mental hospital or other facility pending a hearing or order under ORS 161.370.

9 (3) The report of an examination described in this section must include, but is not necessarily
10 limited to, the following:

11 (a) A description of the nature of the examination;

12 (b) A statement of the mental condition of the defendant;

13 (c) If the defendant suffers from a qualifying mental disorder, an opinion as to whether the de-
14 fendant is incapacitated within the description set out in ORS 161.360; and

15 (d) If the defendant is incapacitated within the description set out in ORS 161.360, a recom-
16 mendation of treatment and services necessary to allow the defendant to gain or regain capacity,
17 including whether a hospital level of care is required due to the acuity of symptoms of the
18 defendant's qualifying mental disorder.

19 (4) Except when the defendant and the court both request to the contrary, the report may not
20 contain any findings or conclusions as to whether the defendant as a result of a qualifying mental
21 disorder was subject to the provisions of ORS 161.295 or 161.300 at the time of the criminal act
22 charged.

23 (5) If the examination by the certified evaluator cannot be conducted by reason of the unwill-
24 ingness of the defendant to participate in the examination, the report must so state and must in-
25 clude, if possible, an opinion as to whether the unwillingness of the defendant was the result of a
26 qualifying mental disorder affecting fitness to proceed.

27 (6) The report resulting from the examination of a defendant under this section may be filed
28 electronically and must be filed with the clerk of the court, who shall cause copies to be delivered
29 to the district attorney and to counsel for defendant.

30 (7)(a) When upon motion of the court or a financially eligible defendant, the court has ordered
31 a psychiatric or psychological examination of the defendant, a county or justice court shall order
32 the county to pay, a municipal court shall order the city to pay, and a circuit court shall order the
33 public defense services executive director to pay from funds available for the purpose:

34 (A) A reasonable fee if the examination of the defendant is conducted by a certified evaluator
35 in private practice; and

36 (B) All costs including transportation of the defendant if the examination is conducted by a
37 certified evaluator in the employ of the Oregon [*Health Authority*] **Department of Health** or a
38 community mental health program established under ORS 430.610 to 430.670.

39 (b) When an examination is ordered at the request or with the acquiescence of a defendant who
40 is determined not to be financially eligible, the examination shall be performed at the defendant's
41 expense. When an examination is ordered at the request of the prosecution, the county shall pay for
42 the expense of the examination.

43 (8) The Oregon [*Health Authority*] **Department of Health** shall establish by rule standards for
44 the consultation described in subsection (1) of this section.

45 **SECTION 76.** ORS 161.367 is amended to read:

1 161.367. (1) If at any time the court determines that the defendant lacks fitness to proceed, the
 2 court shall further determine whether there is a substantial probability that the defendant, in the
 3 foreseeable future, will gain or regain fitness to proceed. If the court determines that there is no
 4 substantial probability that the defendant, in the foreseeable future, will gain or regain fitness to
 5 proceed, the court shall dismiss, without prejudice, all charges against the defendant and:

6 (a) Order that the defendant be discharged; or

7 (b) Initiate commitment proceedings under ORS 426.070, 426.701 or 427.235 to 427.290.

8 (2)(a) The superintendent of the hospital or director of the facility in which the defendant is
 9 committed under ORS 161.370 or a person examining the defendant as a condition of release to
 10 community restoration services shall notify the court if the defendant gains or regains fitness to
 11 proceed.

12 (b) A party to the case may notify the court if the defendant has gained or regained fitness to
 13 proceed.

14 (c) The court may, upon its own motion or the request of either party, hold a hearing to deter-
 15 mine whether the defendant has gained or regained fitness to proceed. If the court determines that
 16 the defendant has gained or regained fitness to proceed, the court shall resume the criminal pro-
 17 ceeding unless the court determines that so much time has elapsed since the commitment or release
 18 of the defendant to community restoration services that it would be unjust to resume the criminal
 19 proceeding. If the court determines that it would be unjust to resume the criminal proceeding, the
 20 court, on motion of either party, may dismiss the charge and may order the defendant to be dis-
 21 charged or cause a proceeding to be commenced forthwith under ORS 426.070 to 426.170, 426.701
 22 or 427.235 to 427.290.

23 (3) If the defendant gains or regains fitness to proceed, the defendant shall be given credit
 24 against each charge alleged in the accusatory instrument for each day the defendant was committed
 25 under ORS 161.370 to the custody of a state mental hospital, or to the custody of a secure intensive
 26 community inpatient facility designated by the Oregon *[Health Authority]* **Department of Health**.

27 (4) Notwithstanding the suspension of the criminal proceeding under ORS 161.370 (2), the fact
 28 that the defendant is unfit to proceed does not preclude any objection through counsel and without
 29 the personal participation of the defendant on the grounds that the indictment is insufficient, that
 30 the statute of limitations has run, that double jeopardy principles apply or upon any other ground
 31 at the discretion of the court which the court deems susceptible of fair determination prior to trial.

32 (5) At the time that the court determines that the defendant lacks fitness to proceed under ORS
 33 161.370 (2), the court shall notify the defendant in writing that federal law prohibits the defendant
 34 from purchasing or possessing a firearm unless the person obtains relief from the prohibition under
 35 federal law. The court shall again notify the defendant in writing of the prohibition if the court finds
 36 that the defendant has gained or regained fitness to proceed under subsection (2) of this section.

37 **SECTION 77.** ORS 161.370 is amended to read:

38 161.370. (1)(a) When the defendant's fitness to proceed is drawn in question, the issue shall be
 39 determined by the court.

40 (b) If neither the prosecuting attorney nor counsel for the defendant contests the finding of the
 41 report filed under ORS 161.365, the court may make the determination on the basis of the report.
 42 If the finding is contested, the court shall hold a hearing on the issue. If the report is received in
 43 evidence in the hearing, the party who contests the finding has the right to summon and to cross-
 44 examine any certified evaluator who submitted the report and to offer evidence upon the issue.
 45 Other evidence regarding the defendant's fitness to proceed may be introduced by either party.

1 (2)(a) If the court determines that the defendant lacks fitness to proceed, the criminal proceeding
 2 against the defendant shall be suspended and the court shall proceed in accordance with this sub-
 3 section.

4 (b) After making the determination under paragraph (a) of this subsection, the court shall re-
 5 ceive a recommendation from a community mental health program director or the director's
 6 designee, and from any local entity that would be responsible for treating the defendant if the de-
 7 fendant were to be released in the community, concerning whether appropriate community restora-
 8 tion services are present and available in the community.

9 (c) If the parties agree as to the appropriate action under this section, the court may, after
 10 making all findings required by law, enter any order authorized by this section. If the parties do not
 11 agree as to the appropriate action, the court and the parties shall, at a hearing, consider an ap-
 12 propriate action in the case, and the court shall make a determination and enter an order necessary
 13 to implement the action. In determining the appropriate action, the court shall consider the primary
 14 and secondary release criteria as defined in ORS 135.230, the least restrictive option appropriate for
 15 the defendant, the needs of the defendant and the interests of justice. Actions may include but are
 16 not limited to:

17 (A) Commitment for the defendant to gain or regain fitness to proceed under subsection (3) or
 18 (4) of this section;

19 (B) An order to engage in community restoration services, as recommended by the community
 20 mental health program director or designee, under subsection (6) of this section;

21 (C) Commencement of a civil commitment proceeding under ORS 426.070 to 426.170, 426.701 or
 22 427.235 to 427.290;

23 (D) Commencement of protective proceedings under ORS chapter 125; or

24 (E) Dismissal of the charges pursuant to ORS 135.755.

25 (d) If the court, while considering or ordering an appropriate action under this subsection, does
 26 not order the defendant committed to a state mental hospital or other facility, but finds that ap-
 27 propriate community restoration services are not present and available in the community, for any
 28 defendant remaining in custody after such determination, the court shall set a review hearing seven
 29 days from the date of the determination under paragraph (a) of this subsection. At the review
 30 hearing, the court shall consider all relevant information and determine if commitment to the state
 31 mental hospital or other facility is appropriate under subsection (3) or (4) of this section, or if an-
 32 other action described in paragraph (c) of this subsection is appropriate. At the conclusion of the
 33 hearing the court shall enter an order in accordance with the defendant's constitutional rights to
 34 due process.

35 (e) If the court determines that the appropriate action in the case is an order for the defendant
 36 to engage in community restoration services, but the defendant has a pending criminal case, warrant
 37 or hold in one or more other jurisdictions, the other jurisdictions shall, within two judicial days of
 38 becoming aware of the proceeding under this section, communicate with the court and the other
 39 jurisdictions, if applicable, to develop a plan to address the interests of all jurisdictions in the de-
 40 fendant in a timely manner.

41 (3)(a) If the most serious offense in the charging instrument is a felony, the court shall commit
 42 the defendant to the custody of the superintendent of a state mental hospital or director of a facility
 43 designated by the Oregon [Health Authority] **Department of Health** if the defendant is at least 18
 44 years of age, or to the custody of the director of a secure intensive community inpatient facility
 45 designated by the [authority] **department** if the defendant is under 18 years of age, if the court

1 makes the following findings:

2 (A) The defendant requires a hospital level of care due to public safety concerns if the defendant
 3 is not hospitalized or in custody or the acuity of symptoms of the defendant's qualifying mental
 4 disorder; and

5 (B) Based on the findings resulting from a consultation described in ORS 161.365 (1), if applica-
 6 ble, from any information provided by community-based mental health providers or any other
 7 sources, and primary and secondary release criteria as defined in ORS 135.230, the appropriate
 8 community restoration services are not present and available in the community.

9 (b) If the defendant is committed under this subsection, the community mental health program
 10 director, or director's designee, shall at regular intervals, during any period of commitment, review
 11 available community restoration services and maintain communication with the defendant and the
 12 superintendent of the state mental hospital or director of the facility in order to facilitate an effi-
 13 cient transition to treatment in the community when ordered.

14 (c) If the court does not order the commitment of the defendant under this subsection, the court
 15 shall proceed in accordance with subsection (2)(c) of this section to determine and order an appro-
 16 priate action other than commitment.

17 (4)(a) If the most serious offense in the charging instrument is a misdemeanor, the court may
 18 not commit the defendant to the custody of the superintendent of a state mental hospital or director
 19 of a facility designated by the Oregon [*Health Authority*] **Department of Health** if the defendant is
 20 at least 18 years of age, or to the custody of the director of a secure intensive community inpatient
 21 facility designated by the [*authority*] **department** if the defendant is under 18 years of age, unless
 22 the court:

23 (A)(i) Receives a recommendation from a certified evaluator that the defendant requires a hos-
 24 pital level of care due to the acuity of symptoms of the defendant's qualifying mental disorder; and

25 (ii) Receives a recommendation from a community mental health program director, or director's
 26 designee, that the appropriate community restoration services are not present and available in the
 27 community; or

28 (B) Determines that the defendant requires a hospital level of care after making all of the fol-
 29 lowing written findings:

30 (i) The defendant needs a hospital level of care due to the acuity of the symptoms of the
 31 defendant's qualifying mental disorder;

32 (ii) There are public safety concerns; and

33 (iii) The appropriate community restoration services are not present and available in the com-
 34 munity.

35 (b) If at the time of determining the appropriate action for the case, the court is considering
 36 commitment under paragraph (a)(A) of this subsection and:

37 (A) Has not received a recommendation from a certified evaluator as to whether the defendant
 38 requires a hospital level of care due to the acuity of symptoms of the defendant's qualifying mental
 39 disorder, the court shall order a certified evaluator to make such a recommendation.

40 (B) Has not received a recommendation from the community mental health program director or
 41 designee concerning whether appropriate community restoration services are present and available
 42 in the community, the court shall order the director or designee to make such a recommendation.

43 (c) If the court does not order the commitment of the defendant under this subsection, the court
 44 shall proceed in accordance with subsection (2)(c) of this section to determine and order an appro-
 45 priate action other than commitment.

1 (d) If the defendant is committed under this subsection, the community mental health program
2 director, or director's designee, shall at regular intervals, during any period of commitment, review
3 available community restoration services and maintain communication with the defendant and the
4 superintendent of the state mental hospital or director of the facility in order to facilitate an effi-
5 cient transition to treatment in the community when ordered.

6 (5) If the most serious offense in the charging instrument is a violation, the court may not
7 commit the defendant to the custody of the superintendent of a state mental hospital or director of
8 a facility designated by the Oregon [*Health Authority*] **Department of Health** if the defendant is
9 at least 18 years of age, or to the custody of the director of a secure intensive community inpatient
10 facility designated by the [*authority*] **department** if the defendant is under 18 years of age.

11 (6)(a) If the court does not order the commitment of the defendant under subsection (3) or (4)
12 of this section, if commitment is precluded under subsection (5) of this section or if the court de-
13 termines that care other than commitment would better serve the defendant and the community, the
14 court shall release the defendant, pursuant to an order that the defendant engage in community
15 restoration services, until the defendant has gained or regained fitness to proceed, or until the court
16 finds there is no substantial probability that the defendant will, within the foreseeable future, gain
17 or regain fitness to proceed. The court may not order the defendant to engage in community resto-
18 ration services in another county without permission from the other county.

19 (b) The court may order a community mental health program director coordinating the
20 defendant's treatment in the community to provide the court with status reports on the defendant's
21 progress in gaining or regaining fitness to proceed. The director shall provide a status report if the
22 defendant is not complying with court-ordered restoration services.

23 (c) A community mental health program director coordinating the defendant's treatment in the
24 community shall notify the court if the defendant gains or regains fitness to proceed. The notice
25 shall be filed with the court and may be filed electronically. The clerk of the court shall cause
26 copies of the notice to be delivered to both the district attorney and the counsel for the defendant.

27 (d) When a defendant is ordered to engage in community restoration services under this sub-
28 section, the court may place conditions that the court deems appropriate on the release, including
29 the requirement that the defendant regularly report to a state mental hospital or a certified evalu-
30 ator for examination to determine if the defendant has gained or regained fitness to proceed.

31 (7) The Oregon [*Health Authority*] **Department of Health** shall establish by rule standards for
32 the recommendation provided to the court described in subsection (2) of this section.

33 **SECTION 78.** ORS 161.373 is amended to read:

34 161.373. (1) Unless otherwise prohibited by law or for good cause, all public bodies, as defined
35 in ORS 174.109, and any private medical provider in possession of records concerning the defendant,
36 shall, within five business days of receipt of the order, comply with a court order for the release
37 of records to the state mental hospital or other facility designated by the Oregon [*Health*
38 *Authority*] **Department of Health** for the purpose of conducting an examination or evaluation under
39 ORS 161.355 to 161.371.

40 (2) Notwithstanding subsection (1) of this section, the Oregon Youth Authority, the Department
41 of Corrections, a community college district, a community college service district, a public univer-
42 sity, a school district or an education service district may, after notifying the state hospital or other
43 facility designated by the Oregon [*Health Authority*] **Department of Health**, comply with the court
44 order within 15 business days of receipt of the order without good cause.

45 (3) As used in this section, in the case of a community college district, a community college

1 service district, a public university, a school district or an education service district, “business
2 day” does not include any day on which the central administration offices of the district or univer-
3 sity are closed.

4 **SECTION 79.** ORS 161.375 is amended to read:

5 161.375. (1) When a patient, who has been placed at a state hospital for evaluation, care, custody
6 and treatment under ORS 161.315 to 161.351 or by court order under ORS 161.315, 161.365 or 161.370,
7 has escaped or is absent without authorization from the hospital or from the custody of any person
8 in whose charge the superintendent has placed the patient, the superintendent may order the arrest
9 and detention of the patient.

10 (2) When a patient, who has been placed at a secure intensive community inpatient facility for
11 evaluation, care, custody and treatment under ORS 161.315 to 161.351 or by court order under ORS
12 161.315, 161.365, 161.370 or 419C.527, has escaped or is absent without authorization from the facility
13 or from the custody of any person in whose charge the director of the facility has placed the patient,
14 the director of the facility shall notify the Director of the Oregon [*Health Authority*] **Department**
15 **of Health**. The Director of the Oregon [*Health Authority*] **Department of Health** may order the
16 arrest and detention of the patient.

17 (3) The superintendent or the Director of the Oregon [*Health Authority*] **Department of Health**
18 may issue an order under this section based upon a reasonable belief that grounds exist for issuing
19 the order. When reasonable, the superintendent or the Director of the Oregon [*Health Authority*]
20 **Department of Health** shall investigate to ascertain whether such grounds exist.

21 (4) Any order issued by the superintendent or the Director of the Oregon [*Health Authority*]
22 **Department of Health** as authorized by this section constitutes full authority for the arrest and
23 detention of the patient and all laws applicable to warrant or arrest apply to the order. An order
24 issued by the superintendent or the Director of the Oregon [*Health Authority*] **Department of**
25 **Health** under this section expires 72 hours after being signed by the superintendent or the Director
26 of the Oregon [*Health Authority*] **Department of Health**.

27 (5) As used in this section, “superintendent” means the superintendent of the state hospital to
28 which the person was committed or the superintendent’s authorized representative.

29 **SECTION 80.** ORS 161.385 is amended to read:

30 161.385. (1) There is hereby created a Psychiatric Security Review Board consisting of 10 mem-
31 bers appointed by the Governor and subject to confirmation by the Senate under section 4, Article
32 III of the Oregon Constitution.

33 (2) The membership of the board may not include any district attorney, deputy district attorney
34 or public defender. The Governor shall appoint:

35 (a) A psychiatrist experienced in the criminal justice system and not otherwise employed on a
36 full-time basis by the Oregon [*Health Authority*] **Department of Health** or a community mental
37 health program;

38 (b) A licensed psychologist experienced in the criminal justice system and not otherwise em-
39 ployed on a full-time basis by the [*authority*] **department** or a community mental health program;

40 (c) A member with substantial experience in the processes of parole and probation;

41 (d) A lawyer with substantial experience in criminal trial practice;

42 (e) A psychiatrist certified, or eligible to be certified, by the Oregon Medical Board in child
43 psychiatry who is experienced in the juvenile justice system and not employed on a full-time basis
44 by the [*authority*] **department** or a community mental health program;

45 (f) A licensed psychologist who is experienced in child psychology and the juvenile justice sys-

1 tem and not employed on a full-time basis by the [authority] **department** or a community mental
2 health program;

3 (g) A member with substantial experience in the processes of juvenile parole and probation;

4 (h) A lawyer with substantial experience in juvenile law practice; and

5 (i) Two members of the general public.

6 (3) The term of office of each member is four years. The Governor at any time may remove any
7 member for inefficiency, neglect of duty or malfeasance in office. Before the expiration of the term
8 of a member, the Governor shall appoint a successor whose term begins on July 1 next following.
9 A member is eligible for reappointment. If there is a vacancy for any cause, the Governor shall make
10 an appointment to become immediately effective for the unexpired term.

11 (4) A member of the board not otherwise employed full-time by the state shall be paid on a per
12 diem basis an amount equal to \$289.22, adjusted according to the executive pay plan for the
13 biennium, for each day during which the member is engaged in the performance of official duties,
14 including necessary travel time. In addition, subject to ORS 292.220 to 292.250 regulating travel and
15 other expenses of state officers and employees, the member shall be reimbursed for actual and nec-
16 essary travel and other expenses incurred in the performance of official duties.

17 (5) Subject to any applicable provision of the State Personnel Relations Law, the board may hire
18 employees to aid it in performing its duties.

19 (6) The board consists of two five-member panels. The adult panel is responsible for persons
20 placed under the board's jurisdiction under ORS 161.315 to 161.351 and 419C.544 and consists of
21 those members appointed under subsection (2)(a) to (d) of this section and one of the public members.
22 The juvenile panel is responsible for young persons placed under the board's jurisdiction under ORS
23 419C.529 and consists of those members appointed under subsection (2)(e) to (h) of this section and
24 the other public member.

25 (7)(a) Each panel shall select one of its members as chairperson to serve for a one-year term
26 with such duties and powers as the panel determines.

27 (b) A majority of the voting members of a panel constitutes a quorum for the transaction of
28 business of the panel.

29 (8) Each panel shall meet at least twice every month, unless the chairperson determines that
30 there is not sufficient business before the panel to warrant a meeting at the scheduled time. The
31 panel shall also meet at other times and places specified by the call of the chairperson or of a ma-
32 jority of the members of the panel.

33 **SECTION 81.** ORS 161.390 is amended to read:

34 161.390. (1) The Oregon [Health Authority] **Department of Health** shall adopt rules for the as-
35 signment of persons to state mental hospitals or secure intensive community inpatient facilities after
36 commitment under ORS 161.365 and 161.370 and for establishing standards for evaluation and
37 treatment of persons committed to a state hospital or a secure intensive community inpatient facility
38 or ordered to a community mental health program under ORS 161.315 to 161.351.

39 (2) When the Psychiatric Security Review Board requires the preparation of a predischarge or
40 preconditional release plan before a hearing or as a condition of granting discharge or conditional
41 release for a person committed under ORS 161.315 to 161.351 to a state hospital or a secure inten-
42 sive community inpatient facility for custody, care and treatment, the [authority] **department** is
43 responsible for and shall prepare the plan.

44 (3) In carrying out a conditional release plan prepared under subsection (2) of this section, the
45 [authority] **department** may contract with a community mental health program, other public agency

1 or private corporation or an individual to provide supervision and treatment for the conditionally
 2 released person.

3 (4)(a) The board shall maintain and keep current the medical, social and criminal history of all
 4 persons committed to its jurisdiction. The confidentiality of records maintained by the board shall
 5 be determined pursuant to ORS 192.338, 192.345, 192.355 and 192.398.

6 (b) Except as otherwise provided by law, upon request of the board, a state hospital, a commu-
 7 nity mental health program and any other health care service provider shall provide the board with
 8 all medical records pertaining to a person committed to the jurisdiction of the board.

9 (5) The evidentiary phase of a hearing conducted by the board under ORS 161.315 to 161.351 is
 10 not a deliberation for purposes of ORS 192.690.

11 **SECTION 82.** ORS 161.392 is amended to read:

12 161.392. (1) The Oregon [*Health Authority*] **Department of Health** shall adopt rules necessary
 13 to certify psychiatrists and licensed psychologists for the purpose of performing evaluations and
 14 examinations described in ORS 161.309, 161.355 to 161.371 and 419C.524. The rules must include a
 15 description of the standards and qualifications necessary for certification. The [*authority*] **depart-**
 16 **ment** may charge a fee for certification under this section in an amount determined by rule.

17 (2) The [*authority*] **department** shall consult with the Psychiatric Security Review Board about
 18 proposed rules described in subsection (1) of this section before issuing the proposed rules for public
 19 comment and before adopting the rules.

20 **SECTION 83.** ORS 163A.040 is amended to read:

21 163A.040. (1) A person who is required to report as a sex offender in accordance with the ap-
 22 plicable provisions of ORS 163A.010, 163A.015, 163A.020 or 163A.025 and who has knowledge of the
 23 reporting requirement commits the crime of failure to report as a sex offender if the person:

- 24 (a) Fails to make the initial report to an agency;
- 25 (b) Fails to report when the person works at, carries on a vocation at or attends an institution
 26 of higher education;
- 27 (c) Fails to report following a change of school enrollment or employment status, including en-
 28 rollment, employment or vocation status at an institution of higher education;
- 29 (d) Moves to a new residence and fails to report the move and the person's new address;
- 30 (e) Fails to report a legal change of name;
- 31 (f) Fails to make an annual report;
- 32 (g) Fails to provide complete and accurate information;
- 33 (h) Fails to sign the sex offender registration form as required;
- 34 (i) Fails or refuses to participate in a sex offender risk assessment as directed by the State
 35 Board of Parole and Post-Prison Supervision, Psychiatric Security Review Board, Oregon [*Health*
 36 *Authority*] **Department of Health** or supervisory [*authority*] **department**;
- 37 (j) Fails to submit to fingerprinting or to having a photograph taken of the person's face, iden-
 38 tifying scars, marks or tattoos; or
- 39 (k) Fails to report prior to any intended travel outside of the United States.

40 (2)(a) It is an affirmative defense to a charge of failure to report under subsection (1)(d) of this
 41 section by a person required to report under ORS 163A.010 (3)(a)(B), 163A.015 (4)(a)(B) or 163A.025
 42 (3)(a) that the person reported, in person, within 10 days of a change of residence to the Department
 43 of State Police, a city police department or a county sheriff's office, in the county of the person's
 44 new residence, if the person otherwise complied with all reporting requirements.

45 (b) It is an affirmative defense to a charge of failure to report under subsection (1)(a) of this

1 section by a person required to report under ORS 163A.025 (2)(b)(A)(i) that the person reported, in
2 person, to the Department of State Police in Marion County, Oregon, within 10 days of moving into
3 this state.

4 (c) It is an affirmative defense to a charge of failure to report under subsection (1)(a) of this
5 section by a person required to report under ORS 163A.025 (2)(b)(B)(i) that the person reported, in
6 person, to the Department of State Police in Marion County, Oregon, within six months of moving
7 into this state.

8 (d) It is an affirmative defense to a charge of failure to report under subsection (1) of this sec-
9 tion by a person required to report under ORS 163A.025 (2)(b)(A)(ii) or (B)(ii) that the person re-
10 ported, in person, to the Department of State Police in Marion County, Oregon, if the person
11 otherwise complied with all reporting requirements.

12 (e) It is an affirmative defense to a charge of failure to report under subsection (1) of this sec-
13 tion by a person required to report under ORS 163A.025 (3) that the person reported, in person, to
14 the Department of State Police, a city police department or a county sheriff's office, in the county
15 of the person's residence, if the person otherwise complied with all reporting requirements.

16 (f) It is an affirmative defense to a charge of failure to report under subsection (1) of this section
17 by a person required to report under ORS 163A.010 (3) that the person reported to the Oregon Youth
18 Authority if the person establishes that the authority registered the person under ORS 163A.010
19 (3)(c).

20 (g) It is an affirmative defense to a charge of failure to report under subsection (1) of this sec-
21 tion by a person required to report under ORS 163A.025 (2) or (3) that the person reported to the
22 Oregon Youth Authority or a county juvenile department if the person establishes that the authority
23 or department registered the person under ORS 163A.025 (8).

24 (3)(a) Except as otherwise provided in paragraph (b) of this subsection, failure to report as a sex
25 offender is a Class A misdemeanor.

26 (b) Failure to report as a sex offender is a Class C felony if the person violates:

27 (A) Subsection (1)(a) of this section; or

28 (B) Subsection (1)(b), (c), (d), (e) or (h) of this section and the crime for which the person is re-
29 quired to report is a felony.

30 (4) A person who fails to sign and return an address verification form as required by ORS
31 163A.035 (4) commits a violation.

32 **SECTION 84.** ORS 163A.125 is amended to read:

33 163A.125. (1)(a) A person who is required to report as a sex offender under ORS 163A.010,
34 163A.015 or 163A.020 due to a conviction for a sex crime and is classified as a level one sex offender
35 under ORS 163A.100 (1) may petition the State Board of Parole and Post-Prison Supervision to re-
36 lieve the person from the obligation to report as a sex offender under ORS 163A.010, 163A.015 or
37 163A.020.

38 (b) A person who is required to report as a sex offender under ORS 163A.010, 163A.015 or
39 163A.020 due to being found guilty except for insanity under ORS 161.295 for a sex crime, and is
40 classified as a level one sex offender under ORS 163A.100 (1), may petition the Psychiatric Security
41 Review Board to relieve the person from the obligation to report as a sex offender under ORS
42 163A.010, 163A.015 or 163A.020.

43 (c)(A) Except as otherwise provided in subparagraph (B) of this paragraph, a person described
44 in paragraph (a) or (b) of this subsection may file the petition no sooner than five years after the
45 date supervision for the sex crime is terminated or, if the person was not subject to supervision for

1 the sex crime, five years after the date the person was discharged from the jurisdiction of the court,
 2 Psychiatric Security Review Board or Oregon [*Health Authority*] **Department of Health**.

3 (B) A person who was reclassified under subsection (2) of this section from a level two sex
 4 offender under ORS 163A.100 (2) to a level one sex offender under ORS 163A.100 (1) may file the
 5 petition no sooner than five years after the date of reclassification.

6 (d) Notwithstanding paragraph (c) of this subsection, if a person is required to report because
 7 of a conviction or finding of guilty except for insanity from another United States court as that term
 8 is defined in ORS 163A.005, the person may not petition for relief from reporting as a sex offender
 9 in Oregon unless the laws of the jurisdiction where the person was convicted or found guilty except
 10 for insanity would permit a petition for relief from reporting as a sex offender.

11 (2)(a) A person who is required to report as a sex offender under ORS 163A.010, 163A.015 or
 12 163A.020 due to a conviction for a sex crime and is classified as a level three sex offender under
 13 ORS 163A.100 (3) may petition the State Board of Parole and Post-Prison Supervision to reclassify
 14 the person as a level two sex offender under ORS 163A.100 (2).

15 (b) A person who is required to report as a sex offender under ORS 163A.010, 163A.015 or
 16 163A.020 due to being found guilty except for insanity under ORS 161.295 for a sex crime, and is
 17 classified as a level three sex offender under ORS 163A.100 (3), may petition the Psychiatric Security
 18 Review Board to reclassify the person as a level two sex offender under ORS 163A.100 (2).

19 (c) A person who is required to report as a sex offender under ORS 163A.010, 163A.015 or
 20 163A.020 due to a conviction for a sex crime and is classified as a level two sex offender under ORS
 21 163A.100 (2) may petition the State Board of Parole and Post-Prison Supervision to reclassify the
 22 person as a level one sex offender under ORS 163A.100 (1).

23 (d) A person who is required to report as a sex offender under ORS 163A.010, 163A.015 or
 24 163A.020 due to being found guilty except for insanity under ORS 161.295 for a sex crime, and is
 25 classified as a level two sex offender under ORS 163A.100 (2), may petition the Psychiatric Security
 26 Review Board to reclassify the person as a level one sex offender under ORS 163A.100 (1).

27 (e) The petition described in this subsection may be filed no sooner than 10 years after the date
 28 supervision for the sex crime is terminated or, if the person was not subject to supervision for the
 29 sex crime, 10 years after the date the person was discharged from the jurisdiction of the court,
 30 Psychiatric Security Review Board or Oregon [*Health Authority*] **Department of Health**.

31 (3)(a) The State Board of Parole and Post-Prison Supervision or the Psychiatric Security Review
 32 Board shall deny a petition filed under this section if, at any time after the person is convicted or
 33 found guilty except for insanity of a sex crime, the person is convicted of or found guilty except for
 34 insanity of a person felony or a person Class A misdemeanor, as those terms are defined in the rules
 35 of the Oregon Criminal Justice Commission.

36 (b) The appropriate board shall deny a petition filed under subsection (2)(c) or (d) of this section
 37 if the board has previously reclassified the person as a level two sex offender under ORS 163A.100
 38 (2) as the result of a petition filed under subsection (2)(a) or (b) of this section.

39 (4)(a) Except as otherwise provided in subsection (3) of this section, if a person files a petition
 40 under subsection (1) of this section, the State Board of Parole and Post-Prison Supervision or the
 41 Psychiatric Security Review Board shall hold a hearing. At the hearing, the board shall enter an
 42 order relieving the person of the obligation to report as a sex offender under ORS 163A.010,
 43 163A.015 or 163A.020 if the board determines, by clear and convincing evidence, that the person:

- 44 (A) Is statistically unlikely to reoffend; and
- 45 (B) Does not pose a threat to the safety of the public.

1 (b)(A) Except as otherwise provided in subsection (3) of this section, if a person files a petition
2 under subsection (2)(a) or (b) of this section, the State Board of Parole and Post-Prison Supervision
3 or the Psychiatric Security Review Board shall hold a hearing. At the hearing, the board shall enter
4 an order reclassifying the person as a level two sex offender under ORS 163A.100 (2) if, after com-
5 pletion of a new risk assessment utilizing the risk assessment methodology described in ORS
6 163A.100, the person is classified as presenting a low or moderate risk of reoffending and the board
7 determines that a lower level of notification is sufficient to protect public safety.

8 (B) Except as otherwise provided in subsection (3) of this section, if a person files a petition
9 under subsection (2)(c) or (d) of this section, the State Board of Parole and Post-Prison Supervision
10 or the Psychiatric Security Review Board shall hold a hearing. At the hearing, the board shall enter
11 an order reclassifying the person as a level one sex offender under ORS 163A.100 (1) if, after com-
12 pletion of a new risk assessment utilizing the risk assessment methodology described in ORS
13 163A.100, the person is classified as presenting a low risk of reoffending and the board determines
14 that a lower level of notification is sufficient to protect public safety.

15 (5) In making the determinations described in subsection (4) of this section, the State Board of
16 Parole and Post-Prison Supervision or the Psychiatric Security Review Board shall consider:

17 (a) The nature of and degree of violence involved in the offense that requires reporting;

18 (b) The age and number of victims of the offense that requires reporting;

19 (c) The age of the person at the time of the offense that requires reporting;

20 (d) The length of time since the offense that requires reporting and the time period during which
21 the person has not reoffended;

22 (e) The person's performance on supervision for the offense that requires reporting;

23 (f) Whether the person has participated in or successfully completed a court-approved sex
24 offender treatment program or any other rehabilitative programs;

25 (g) The person's stability in employment and housing;

26 (h) The person's community and personal support system;

27 (i) Other criminal and relevant noncriminal behavior of the person both before and after the
28 offense that requires reporting; and

29 (j) Any other relevant factors.

30 (6)(a) The Attorney General may represent the state at a hearing conducted under this section
31 unless the district attorney of the county in which the person was convicted or, if the conviction for
32 which the person is required to report as a sex offender was entered in another United States court,
33 the district attorney of the county in which the person resides, elects to represent the state.

34 (b) If a district attorney elects to represent the state, the district attorney shall give timely
35 written notice of the election to the Attorney General, the State Board of Parole and Post-Prison
36 Supervision or the Psychiatric Security Review Board and the person who is the subject of the
37 hearing.

38 (c) If the district attorney declines to represent the state, the district attorney shall cooperate
39 with the Attorney General in securing the material necessary to represent the state.

40 (7)(a) When the State Board of Parole and Post-Prison Supervision or the Psychiatric Security
41 Review Board enters an order under this section relieving a person of the obligation to report as
42 a sex offender under ORS 163A.010, 163A.015 or 163A.020 or enters an order reclassifying a person
43 as a level two sex offender under ORS 163A.100 (2) or as a level one sex offender under ORS
44 163A.100 (1), the board shall forward a copy of the order to the Department of State Police.

45 (b) Upon receipt of an order relieving a person of the obligation to report, the *[department]*

1 **Department of State Police** shall remove from the Law Enforcement Data System the sex offender
 2 information obtained from the sex offender registration form submitted under ORS 163A.010,
 3 163A.015 or 163A.020.

4 (c) Upon receipt of an order reclassifying a person as a level two sex offender under ORS
 5 163A.100 (2) or as a level one sex offender under ORS 163A.100 (1), the department shall update the
 6 Law Enforcement Data System to reflect the reclassification.

7 (8) The State Board of Parole and Post-Prison Supervision and the Psychiatric Security Review
 8 Board shall adopt rules to carry out the provisions of this section. The rules may include a filing
 9 fee in an amount determined by the appropriate board. All fees paid under this subsection shall be
 10 deposited into the General Fund and credited to the account of the appropriate board.

11 (9) As used in this section, “supervision” means probation, parole, post-prison supervision or any
 12 other form of supervised or conditional release.

13 **SECTION 85.** ORS 163A.200 is amended to read:

14 163A.200. (1) Notwithstanding ORS 179.505, the Psychiatric Security Review Board and the
 15 Oregon [*Health Authority*] **Department of Health** shall provide to the State Board of Parole and
 16 Post-Prison Supervision any records that would assist the State Board of Parole and Post-Prison
 17 Supervision in:

18 (a) Performing an initial classification of a person into one of the three levels described in ORS
 19 163A.100, as required by ORS 163A.105;

20 (b) Deciding whether to reclassify a person as a level one or a level two sex offender or relieve
 21 the person from the obligation to report as a sex offender, as described in ORS 163A.125; or

22 (c) Conducting a risk assessment of a person who is an existing registrant to classify the person
 23 into one of the three levels described in ORS 163A.100, as required by section 7, chapter 708, Oregon
 24 Laws 2013.

25 (2) The State Board of Parole and Post-Prison Supervision may not release any records obtained
 26 pursuant to this section to any other agency or person unless authorized by law to do so.

27 **SECTION 86.** ORS 163A.205 is amended to read:

28 163A.205. (1) Notwithstanding ORS 179.505, the Oregon [*Health Authority*] **Department of**
 29 **Health** shall provide to the Psychiatric Security Review Board any records that would assist the
 30 board in:

31 (a) Performing an initial classification of a person into one of the three levels described in ORS
 32 163A.100, as required by ORS 163A.105;

33 (b) Deciding whether to reclassify a person as a level one or a level two sex offender or relieve
 34 the person from the obligation to report as a sex offender, as described in ORS 163A.125; or

35 (c) Conducting a risk assessment of a person who is an existing registrant to classify the person
 36 into one of the three levels described in ORS 163A.100, as required by section 7, chapter 708, Oregon
 37 Laws 2013.

38 (2) The board may not release any records obtained pursuant to this section to any other agency
 39 or person unless authorized by law to do so.

40 **SECTION 87.** ORS 165.698 is amended to read:

41 165.698. The prosecuting attorney shall notify the Oregon [*Health Authority*] **Department of**
 42 **Health** and any appropriate licensing boards of the conviction of a person under ORS 165.692.

43 **SECTION 88.** ORS 166.250 is amended to read:

44 166.250. (1) Except as otherwise provided in this section or ORS 166.260, 166.270, 166.273,
 45 166.274, 166.291, 166.292 or 166.410 to 166.470, a person commits the crime of unlawful possession

- 1 of a firearm if the person knowingly:
- 2 (a) Carries any firearm concealed upon the person;
- 3 (b) Possesses a handgun that is concealed and readily accessible to the person within any vehi-
- 4 cle; or
- 5 (c) Possesses a firearm and:
- 6 (A) Is under 18 years of age;
- 7 (B)(i) While a minor, was found to be within the jurisdiction of the juvenile court for having
- 8 committed an act which, if committed by an adult, would constitute a felony or a misdemeanor in-
- 9 volving violence, as defined in ORS 166.470; and
- 10 (ii) Was discharged from the jurisdiction of the juvenile court within four years prior to being
- 11 charged under this section;
- 12 (C) Has been convicted of a felony;
- 13 (D) Was committed to the Oregon [*Health Authority*] **Department of Health** under ORS 426.130;
- 14 (E) Was found to be a person with mental illness and subject to an order under ORS 426.130 that
- 15 the person be prohibited from purchasing or possessing a firearm as a result of that mental illness;
- 16 (F) Is presently subject to an order under ORS 426.133 prohibiting the person from purchasing
- 17 or possessing a firearm;
- 18 (G) Has been found guilty except for insanity under ORS 161.295 of a felony; or
- 19 (H) The possession of the firearm by the person is prohibited under ORS 166.255.
- 20 (2) This section does not prohibit:
- 21 (a) A minor, who is not otherwise prohibited under subsection (1)(c) of this section, from pos-
- 22 sessed a firearm:
- 23 (A) Other than a handgun, if the firearm was transferred to the minor by the minor's parent or
- 24 guardian or by another person with the consent of the minor's parent or guardian; or
- 25 (B) Temporarily for hunting, target practice or any other lawful purpose; or
- 26 (b) Any citizen of the United States over the age of 18 years who resides in or is temporarily
- 27 sojourning within this state, and who is not within the excepted classes prescribed by ORS 166.270
- 28 and subsection (1) of this section, from owning, possessing or keeping within the person's place of
- 29 residence or place of business any handgun, and no permit or license to purchase, own, possess or
- 30 keep any such firearm at the person's place of residence or place of business is required of any such
- 31 citizen. As used in this subsection, "residence" includes a recreational vessel or recreational vehicle
- 32 while used, for whatever period of time, as residential quarters.
- 33 (3) Firearms carried openly in belt holsters are not concealed within the meaning of this section.
- 34 (4)(a) Except as provided in paragraphs (b) and (c) of this subsection, a handgun is readily ac-
- 35 cessible within the meaning of this section if the handgun is within the passenger compartment of
- 36 the vehicle.
- 37 (b) If a vehicle, other than a vehicle described in paragraph (c) of this subsection, has no storage
- 38 location that is outside the passenger compartment of the vehicle, a handgun is not readily acces-
- 39 sible within the meaning of this section if:
- 40 (A) The handgun is stored in a closed and locked glove compartment, center console or other
- 41 container; and
- 42 (B) The key is not inserted into the lock, if the glove compartment, center console or other
- 43 container unlocks with a key.
- 44 (c) If the vehicle is a motorcycle, an all-terrain vehicle or a snowmobile, a handgun is not
- 45 readily accessible within the meaning of this section if:

1 (A) The handgun is in a locked container within or affixed to the vehicle; or

2 (B) The handgun is equipped with a trigger lock or other locking mechanism that prevents the
3 discharge of the firearm.

4 (5) Unlawful possession of a firearm is a Class A misdemeanor.

5 **SECTION 89.** ORS 166.273 is amended to read:

6 166.273. (1) A person barred from transporting, shipping, possessing or receiving a firearm may
7 file a petition with the Psychiatric Security Review Board for relief from the bar if:

8 (a) The person is barred from possessing a firearm under ORS 166.250 (1)(c)(D) or (E);

9 (b) The person is barred from receiving a firearm under ORS 166.470 (1)(e) or (f) or, if the person
10 has been found guilty except for insanity of a misdemeanor involving violence, ORS 166.470 (1)(g);
11 or

12 (c) The person is barred from possessing, receiving, shipping or transporting a firearm under 18
13 U.S.C. 922(d)(4) or (g)(4) as the result of a state mental health determination.

14 (2) The petitioner shall serve a copy of the petition on:

15 (a) The Department of Human Services and the Oregon [*Health Authority*] **Department of**
16 **Health**; and

17 (b) The district attorney in each county in which:

18 (A) The person was committed by a court to the Oregon [*Health Authority*] **Department of**
19 **Health**, or adjudicated by a court as a person with mental illness, under ORS 426.130;

20 (B) The person was committed by a court to the Department of Human Services, or adjudicated
21 by a court as in need of commitment for residential care, treatment and training, under ORS 427.290;

22 (C) The person was found guilty except for insanity under ORS 161.295;

23 (D) The person was found responsible except for insanity under ORS 419C.411; or

24 (E) The person was found by a court to lack fitness to proceed under ORS 161.370.

25 (3) Following receipt of the petition, the board shall conduct a contested case hearing, make
26 written findings of fact and conclusions of law on the issues before the board and issue a final order.
27 Board members from the adult panel, the juvenile panel or a combination of both panels of the board
28 may conduct the hearings described in this section.

29 (4) The state and any person or entity described in subsection (2) of this section may appear and
30 object to and present evidence relevant to the relief sought by the petitioner.

31 (5) The board shall grant the relief requested in the petition if the petitioner demonstrates,
32 based on the petitioner's reputation, the petitioner's record, the circumstances surrounding the
33 firearm disability and any other evidence in the record, that the petitioner will not be likely to act
34 in a manner that is dangerous to public safety and that granting the relief would not be contrary
35 to the public interest.

36 (6) If the board grants the relief requested in the petition, the board shall provide to the De-
37 partment of State Police the minimum information necessary, as defined in ORS 181A.290, to enable
38 the [*department*] **Department of State Police** to:

39 (a) Maintain the information and transmit the information to the federal government as required
40 under federal law; and

41 (b) Maintain a record of the person's relief from the disqualification to possess or receive a
42 firearm under ORS 166.250 (1)(c)(D) or (E) or 166.470 (1)(e), (f) or (g).

43 (7) The petitioner may petition for judicial review of a final order of the board. The petition
44 shall be filed in the circuit court of a county described in subsection (2)(b) of this section. The re-
45 view shall be conducted de novo and without a jury.

1 (8) A petitioner may take an appeal from the circuit court to the Court of Appeals. Review by
 2 the Court of Appeals shall be conducted in accordance with ORS 183.500.

3 (9) A person may file a petition for relief under this section no more than once every two years.

4 (10) The board shall adopt procedural rules to carry out the provisions of this section.

5 (11) As used in this section, “state mental health determination” means:

6 (a) A finding by a court that a person lacks fitness to proceed under ORS 161.370;

7 (b) A finding that a person is guilty except for insanity of a crime under ORS 161.295 or re-
 8 sponsible except for insanity of an act under ORS 419C.411 or any determination by the Psychiatric
 9 Security Review Board thereafter;

10 (c) A commitment by a court to the Oregon [*Health Authority*] **Department of Health**, or an
 11 adjudication by a court that a person is a person with mental illness, under ORS 426.130; or

12 (d) A commitment by a court to the Department of Human Services, or an adjudication by a
 13 court that a person is in need of commitment for residential care, treatment and training, under ORS
 14 427.290.

15 **SECTION 90.** ORS 166.291, as amended by section 5, chapter 97, Oregon Laws 2022, is amended
 16 to read:

17 166.291. (1) The sheriff of a county, upon a person’s application for an Oregon concealed
 18 handgun license, upon receipt of the appropriate fees and after compliance with the procedures set
 19 out in this section, shall issue the person a concealed handgun license if the person:

20 (a)(A) Is a citizen of the United States; or

21 (B) Is a legal resident noncitizen who can document continuous residency in the county for at
 22 least six months and has declared in writing to the United States Citizenship and Immigration Ser-
 23 vices the intent to acquire citizenship status and can present proof of the written declaration to the
 24 sheriff at the time of application for the license;

25 (b) Is at least 21 years of age;

26 (c) Is a resident of the county;

27 (d) Has no outstanding warrants for arrest;

28 (e) Is not free on any form of pretrial release;

29 (f) Demonstrates competence with a handgun by any one of the following:

30 (A) Completion of any hunter education or hunter safety course approved by the State Depart-
 31 ment of Fish and Wildlife or a similar agency of another state if handgun safety was a component
 32 of the course;

33 (B) Completion of any National Rifle Association firearms safety or training course if handgun
 34 safety was a component of the course;

35 (C) Completion of any firearms safety or training course or class available to the general public
 36 offered by law enforcement, community college, or private or public institution or organization or
 37 firearms training school utilizing instructors certified by the National Rifle Association or a law
 38 enforcement agency if handgun safety was a component of the course;

39 (D) Completion of any law enforcement firearms safety or training course or class offered for
 40 security guards, investigators, reserve law enforcement officers or any other law enforcement offi-
 41 cers if handgun safety was a component of the course;

42 (E) Presents evidence of equivalent experience with a handgun through participation in organ-
 43 ized shooting competition or military service;

44 (F) Is licensed or has been licensed to carry a firearm in this state, unless the license has been
 45 revoked; or

1 (G) Completion of any firearms training or safety course or class conducted by a firearms in-
 2 structor certified by a law enforcement agency or the National Rifle Association if handgun safety
 3 was a component of the course;

4 (g) Has never been convicted of a felony or found guilty, except for insanity under ORS 161.295,
 5 of a felony;

6 (h) Has not been convicted of a misdemeanor or found guilty, except for insanity under ORS
 7 161.295, of a misdemeanor within the four years prior to the application, including a misdemeanor
 8 conviction for the possession of marijuana as described in paragraph (L) of this subsection;

9 (i) Has not been committed to the Oregon [*Health Authority*] **Department of Health** under ORS
 10 426.130;

11 (j) Has not been found to be a person with mental illness and is not subject to an order under
 12 ORS 426.130 that the person be prohibited from purchasing or possessing a firearm as a result of
 13 that mental illness;

14 (k) Has been discharged from the jurisdiction of the juvenile court for more than four years if,
 15 while a minor, the person was found to be within the jurisdiction of the juvenile court for having
 16 committed an act that, if committed by an adult, would constitute a felony or a misdemeanor in-
 17 volving violence, as defined in ORS 166.470;

18 (L) Has not been convicted of an offense involving controlled substances or participated in a
 19 court-supervised drug diversion program, except this disability does not operate to exclude a person
 20 if:

21 (A) The person can demonstrate that the person has been convicted only once of a marijuana
 22 possession offense that constituted a misdemeanor or violation under the law of the jurisdiction of
 23 the offense, and has not completed a drug diversion program for a marijuana possession offense that
 24 constituted a misdemeanor or violation under the law of the jurisdiction of the offense; or

25 (B) The person can demonstrate that the person has only once completed a drug diversion pro-
 26 gram for a marijuana possession offense that constituted a misdemeanor or violation under the law
 27 of the jurisdiction of the offense, and has not been convicted of a marijuana possession offense that
 28 constituted a misdemeanor or violation under the law of the jurisdiction of the offense;

29 (m) Is not subject to a citation issued under ORS 163.735 or an order issued under ORS 30.866,
 30 107.700 to 107.735 or 163.738;

31 (n) Has not received a dishonorable discharge from the Armed Forces of the United States;

32 (o) Is not required to register as a sex offender in any state; and

33 (p) Is not presently subject to an order under ORS 426.133 prohibiting the person from pur-
 34 chasing or possessing a firearm.

35 (2) A person who has been granted relief under ORS 166.273, 166.274 or 166.293 or 18 U.S.C.
 36 925(c) or has had the person's record expunged under the laws of this state or equivalent laws of
 37 other jurisdictions is not subject to the disabilities in subsection (1)(g) to (L) of this section.

38 (3) Before the sheriff may issue a license:

39 (a) The application must state the applicant's legal name, current address and telephone number,
 40 date and place of birth, hair and eye color and height and weight. The application must also list the
 41 applicant's residence address or addresses for the previous three years. The application must contain
 42 a statement by the applicant that the applicant meets the requirements of subsection (1) of this
 43 section. The application may include the Social Security number of the applicant if the applicant
 44 voluntarily provides this number. The application must be signed by the applicant.

45 (b) The applicant must submit to fingerprinting and photographing by the sheriff. The sheriff

1 shall fingerprint and photograph the applicant and shall conduct any investigation necessary to
2 corroborate the requirements listed under subsection (1) of this section. If a nationwide criminal
3 records check is necessary, the sheriff shall request the Department of State Police to conduct the
4 check, including fingerprint identification, through the Federal Bureau of Investigation. The Federal
5 Bureau of Investigation shall return the fingerprint cards used to conduct the criminal records
6 check and may not keep any record of the fingerprints. The Department of State Police shall report
7 the results of the fingerprint-based criminal records check to the sheriff. The Department of State
8 Police shall also furnish the sheriff with any information about the applicant that the Department
9 of State Police may have in its possession including, but not limited to, manual or computerized
10 criminal offender information.

11 (4) Application forms for concealed handgun licenses shall be supplied by the sheriff upon re-
12 quest. The forms shall be uniform throughout this state in substantially the following form:

13 _____
14

15 APPLICATION FOR LICENSE TO CARRY
16 CONCEALED HANDGUN

17 Date _____

18 I hereby declare as follows:

19 I am a citizen of the United States or a legal resident noncitizen who can document continuous
20 residency in the county for at least six months and have declared in writing to the United States
21 Citizenship and Immigration Services my intention to become a citizen and can present proof of the
22 written declaration to the sheriff at the time of this application. I am at least 21 years of age. I have
23 been discharged from the jurisdiction of the juvenile court for more than four years if, while a mi-
24 nor, I was found to be within the jurisdiction of the juvenile court for having committed an act that,
25 if committed by an adult, would constitute a felony or a misdemeanor involving violence, as defined
26 in ORS 166.470. I have never been convicted of a felony or found guilty, except for insanity under
27 ORS 161.295, of a felony in the State of Oregon or elsewhere. I have not, within the last four years,
28 been convicted of a misdemeanor or found guilty, except for insanity under ORS 161.295, of a
29 misdemeanor. Except as provided in ORS 166.291 (1)(L), I have not been convicted of an offense in-
30 volving controlled substances or completed a court-supervised drug diversion program. There are
31 no outstanding warrants for my arrest and I am not free on any form of pretrial release. I have not
32 been committed to the Oregon [Health Authority] **Department of Health** under ORS 426.130, nor
33 have I been found to be a person with mental illness and presently subject to an order prohibiting
34 me from purchasing or possessing a firearm because of mental illness. I am not under a court order
35 to participate in assisted outpatient treatment that includes an order prohibiting me from purchasing
36 or possessing a firearm. If any of the previous conditions do apply to me, I have been granted relief
37 or wish to petition for relief from the disability under ORS 166.273, 166.274 or 166.293 or 18 U.S.C.
38 925(c) or have had the records expunged. I am not subject to a citation issued under ORS 163.735
39 or an order issued under ORS 30.866, 107.700 to 107.735 or 163.738. I have never received a dis-
40 honorable discharge from the Armed Forces of the United States. I am not required to register as
41 a sex offender in any state. I understand I will be fingerprinted and photographed.

42
43 Legal name _____
44 Age _____ Date of birth _____
45 Place of birth _____

1 Social Security number _____

2 (Disclosure of your Social Security account number is voluntary. Solicitation of the number is au-
3 thorized under ORS 166.291. It will be used only as a means of identification.)

4

5 Proof of identification (Two pieces of current identification are required, one of which must bear a
6 photograph of the applicant. The type of identification and the number on the identification are to
7 be filled in by the sheriff.):

8 1. _____

9 2. _____

10

11 Height _____ Weight _____

12 Hair color _____ Eye color _____

13

14 Current address _____

(List residence addresses for the
past three years on the back.)

15

16

17

18 City _____ County _____ Zip _____

19 Phone _____

20

21 I have read the entire text of this application, and the statements therein are correct and true.
22 (Making false statements on this application is a misdemeanor.)

23

24

(Signature of Applicant)

25

26 Character references.

27

Name: Address

28

Name: Address

29

30 Approved _____ Disapproved _____ by _____

31

32 Competence with handgun demonstrated by _____ (to be filled in by sheriff)

33 Date _____ Fee Paid _____

34 License No. _____

35

36

37 (5)(a) Fees for concealed handgun licenses are:

38 (A) \$15 to the Department of State Police for conducting the fingerprint check of the applicant.

39 (B) \$100 to the sheriff for the initial issuance of a concealed handgun license.

40 (C) \$75 to the sheriff for the renewal of a concealed handgun license.

41 (D) \$15 to the sheriff for the duplication of a license because of loss or change of address.

42 (b) The sheriff may enter into an agreement with the Department of Transportation to produce
43 the concealed handgun license.

1 (6) No civil or criminal liability shall attach to the sheriff or any authorized representative en-
 2 gaged in the receipt and review of, or an investigation connected with, any application for, or in the
 3 issuance, denial or revocation of, any license under ORS 166.291 to 166.295 as a result of the lawful
 4 performance of duties under those sections.

5 (7) Immediately upon acceptance of an application for a concealed handgun license, the sheriff
 6 shall enter the applicant's name into the Law Enforcement Data System indicating that the person
 7 is an applicant for a concealed handgun license or is a license holder.

8 (8) The county sheriff may waive the residency requirement in subsection (1)(c) of this section
 9 for a resident of a contiguous state who has a compelling business interest or other legitimate
 10 demonstrated need.

11 (9) For purposes of subsection (1)(c) of this section, a person is a resident of a county if the
 12 person:

13 (a) Has a current Oregon driver license issued to the person showing a residence address in the
 14 county;

15 (b) Is registered to vote in the county and has a voter notification card issued to the person
 16 under ORS 247.181 showing a residence address in the county;

17 (c) Has documentation showing that the person currently leases or owns real property in the
 18 county; or

19 (d) Has documentation showing that the person filed an Oregon tax return for the most recent
 20 tax year showing a residence address in the county.

21 (10) As used in this section, "drug diversion program" means a program in which a defendant
 22 charged with a marijuana possession offense completes a program under court supervision and in
 23 which the marijuana possession offense is dismissed upon successful completion of the diversion
 24 program.

25 **SECTION 91.** ORS 166.470 is amended to read:

26 166.470. (1) Unless relief has been granted under ORS 166.273 or 166.274 or 18 U.S.C. 925(c) or
 27 the expunction laws of this state or an equivalent law of another jurisdiction, a person may not in-
 28 tentiously sell, deliver or otherwise transfer any firearm when the transferor knows or reasonably
 29 should know that the recipient:

30 (a) Is under 18 years of age;

31 (b) Has been convicted of a felony;

32 (c) Has any outstanding felony warrants for arrest;

33 (d) Is free on any form of pretrial release for a felony;

34 (e) Was committed to the Oregon [*Health Authority*] **Department of Health** under ORS 426.130;

35 (f) After January 1, 1990, was found to be a person with mental illness and subject to an order
 36 under ORS 426.130 that the person be prohibited from purchasing or possessing a firearm as a result
 37 of that mental illness;

38 (g) Has been convicted of a misdemeanor involving violence or found guilty except for insanity
 39 under ORS 161.295 of a misdemeanor involving violence within the previous four years. As used in
 40 this paragraph, "misdemeanor involving violence" means a misdemeanor described in ORS 163.160,
 41 163.187, 163.190, 163.195 or 166.155 (1)(b);

42 (h) Is presently subject to an order under ORS 426.133 prohibiting the person from purchasing
 43 or possessing a firearm; or

44 (i) Has been found guilty except for insanity under ORS 161.295 of a felony.

45 (2) A person may not sell, deliver or otherwise transfer any firearm that the person knows or

1 reasonably should know is stolen.

2 (3) Subsection (1)(a) of this section does not prohibit:

3 (a) The parent or guardian, or another person with the consent of the parent or guardian, of a
4 minor from transferring to the minor a firearm, other than a handgun; or

5 (b) The temporary transfer of any firearm to a minor for hunting, target practice or any other
6 lawful purpose.

7 (4) Violation of this section is a Class A misdemeanor.

8 **SECTION 92.** ORS 167.763 is amended to read:

9 167.763. The prohibitions provided in ORS 471.430 (3) and 475C.317 (2) do not apply to a person
10 who is under 21 years of age and who is acting under the direction of the Oregon [*Health*
11 *Authority*] **Department of Health**, the Oregon Liquor and Cannabis Commission, a local public
12 health authority as defined in ORS 431.003, a city or a state or local law enforcement agency for
13 the purpose of investigating possible violations of federal, state or local laws that prohibit the sale
14 of tobacco products or inhalant delivery systems to persons under 21 years of age.

15 **SECTION 93.** ORS 169.076 is amended to read:

16 169.076. Each local correctional facility shall:

17 (1) Provide sufficient staff to perform all audio and visual functions involving security, control,
18 custody and supervision of all confined detainees and prisoners, with personal inspection at least
19 once each hour. The supervision may include the use of electronic monitoring equipment when ap-
20 proved by the Department of Corrections and the governing body of the jurisdiction in which the
21 facility is located.

22 (2) Have a comprehensive written policy with respect to:

23 (a) Legal confinement authority.

24 (b) Denial of admission.

25 (c) Telephone calls.

26 (d) Admission and release medical procedures.

27 (e) Medication and prescriptions.

28 (f) Personal property accountability that complies with ORS 133.455.

29 (g) Vermin and communicable disease control.

30 (h) Release process to include authority, identification and return of personal property.

31 (i) Rules of the facility governing correspondence and visitations.

32 (3) Formulate and publish plans to meet emergencies involving escape, riots, assaults, fires, re-
33 bellions and other types of emergencies, and regulations for the operation of the facility.

34 (4) Not administer any physical punishment to any prisoner at any time.

35 (5) Provide for emergency medical and dental health, having written policies providing for:

36 (a) Review of the facility's medical and dental plans by a licensed physician, physician assistant,
37 naturopathic physician or nurse practitioner.

38 (b) The security of medication and medical supplies.

39 (c) A medical and dental record system to include request for medical and dental attention,
40 treatment prescribed, prescriptions, special diets and other services provided.

41 (d) First aid supplies and staff first aid training.

42 (6) Prohibit firearms from the security area of the facility except in times of emergency as de-
43 termined by the administrator of the facility.

44 (7) Ensure that confined detainees and prisoners:

45 (a) Will be fed daily at least three meals served at regular times, with no more than 14 hours

1 between meals except when routinely absent from the facility for work or other purposes.

2 (b) Will be fed nutritionally adequate meals in accordance with a plan reviewed by a registered
3 dietitian or the Oregon [*Health Authority*] **Department of Health**.

4 (c) Be provided special diets as prescribed by the facility's designated physician, physician as-
5 sistant, naturopathic physician or nurse practitioner.

6 (d) Shall have food procured, stored, prepared, distributed and served under sanitary conditions,
7 as defined by the [*authority*] **department** under ORS 624.041.

8 (8) Ensure that the facility be clean, and provide each confined detainee or prisoner:

9 (a) Materials to maintain personal hygiene.

10 (b) Clean clothing twice weekly.

11 (c) Mattresses and blankets that are clean and fire-retardant.

12 (9) Require each prisoner to shower at least twice weekly.

13 (10) Forward, without examination or censorship, each prisoner's outgoing written communi-
14 cations to the Governor, jail administrator, Attorney General, judge, Department of Corrections or
15 the attorney of the prisoner.

16 (11) Keep the facility safe and secure in accordance with the State of Oregon Structural Spe-
17 cialty Code and Fire and Life Safety Code.

18 (12) Have and provide each prisoner with written rules for prisoner conduct and disciplinary
19 procedures. If a prisoner cannot read or is unable to understand the written rules, the information
20 shall be conveyed to the prisoner orally.

21 (13) Not restrict the free exercise of religion unless failure to impose the restriction will cause
22 a threat to facility or order.

23 (14) Safeguard and ensure that the prisoner's legal rights to access to legal materials are pro-
24 tected.

25 (15) In addition to the items listed in subsection (8) of this section, make available tampons,
26 sanitary pads, postpartum pads and panty liners at no cost to all confined detainees and prisoners
27 for use in connection with vaginal discharge. Facilities shall maintain a sufficient supply, which
28 shall be stored, dispensed and disposed of in a sanitary manner. The supply of products available
29 shall include at least the following:

30 (a) Regular absorbent and super absorbent tampons;

31 (b) Regular absorbent and super absorbent sanitary pads;

32 (c) Postpartum pads; and

33 (d) Regular absorbent panty liners.

34 **SECTION 94.** ORS 169.690 is amended to read:

35 169.690. (1)(a) Before the Department of Corrections, Department of Human Services, Oregon
36 [*Health Authority*] **Department of Health**, Oregon Youth Authority or any city, county or other
37 public agency establishes a facility described in paragraph (b) of this subsection, the city, county,
38 department, authority or agency shall fully inform the local public safety coordinating council con-
39 vened under ORS 423.560 of the following:

40 (A) The proposed location, estimated population size and use of the facility;

41 (B) The proposed number and qualifications of resident professional staff at the facility;

42 (C) The proposed rules of conduct for residents of the facility; and

43 (D) Other relevant information that the city, county, department, authority or agency responsi-
44 ble for establishing the facility considers appropriate or that the council requests. Nothing in this
45 subparagraph authorizes the disclosure of information that is protected under state or federal law.

1 (b) The facilities to which paragraph (a) of this subsection applies are:

2 (A) Halfway houses, work release centers or any other domiciliary facilities for persons released
3 from any penal or correctional facility but still in the custody of the city, county or public agency;

4 (B) Youth care centers or other facilities authorized to accept adjudicated youths under ORS
5 419C.478; and

6 (C) Residential treatment homes and residential treatment facilities, as those terms are defined
7 in ORS 443.400, for persons who, as a condition of release under ORS 161.315 to 161.351, are re-
8 quired to live in a secure home or facility.

9 (2) The facility advisory subcommittee of the local public safety coordinating council shall ad-
10 vise the city, county, department, authority or agency responsible for establishing the facility as to
11 the suitability of the proposed facility and may suggest changes in the proposal submitted under
12 subsection (1) of this section. The advice shall:

13 (a) Be in writing;

14 (b) Represent the view of the majority of the subcommittee; and

15 (c) Be provided to the city, county, department, authority or agency no more than 60 days after
16 receiving the information described in subsection (1) of this section.

17 (3) If the city, county, department, authority or agency responsible for establishing the facility
18 rejects any of the advice of the facility advisory subcommittee, it must submit its reasons in writing
19 to the subcommittee.

20 (4) This section does not apply if a board of county commissioners has failed to convene a local
21 public safety coordinating council.

22 (5) As used in this section:

23 (a) "Establishes" includes entering into a contract to provide for the operation of a facility de-
24 scribed in subsection (1)(b) of this section.

25 (b) "Secure home or facility" has the meaning given that term in rules adopted by the Oregon
26 *[Health Authority]* **Department of Health**.

27 **SECTION 95.** ORS 178.380 is amended to read:

28 178.380. (1) The Oregon 529 Savings Board shall establish by rule and maintain a qualified ABLE
29 program in accordance with the requirements of the ABLE Act.

30 (2) The rules must:

31 (a) Allow a person to make contributions for a taxable year to an ABLE account established for
32 the purpose of meeting the qualified disability expenses of the designated beneficiary of the account;

33 (b) Limit a designated beneficiary to one ABLE account for purposes of this section;

34 (c) Require cash-only contributions to ABLE accounts;

35 (d) Provide for a separate accounting for each designated beneficiary of an ABLE account;

36 (e) Provide that a designated beneficiary of an ABLE account may not, directly or indirectly,
37 direct the investment of contributions to the account, or earnings on the account, more than two
38 times in any calendar year;

39 (f) Prohibit the use of a designated beneficiary's interest in an ABLE account as security for a
40 loan;

41 (g) Establish limitations on aggregate contributions to an ABLE account on behalf of a desig-
42 nated beneficiary; and

43 (h) Satisfy all other requirements of section 529A of the Internal Revenue Code, the ABLE Act,
44 rules adopted by the United States Secretary of the Treasury under the ABLE Act and other ap-
45 plicable federal law.

1 (3) Notwithstanding any other provision of law that requires consideration of one or more fi-
 2 nancial circumstances of an individual for the purpose of determining the eligibility to receive, or
 3 the amount of, any assistance or benefit authorized by law to be provided to or for the benefit of
 4 the individual, any amount in an ABLE account of the individual, including earnings on the account,
 5 any contributions to the ABLE account of the individual and any distribution for qualified disability
 6 expenses, shall be disregarded for such purpose with respect to any period during which the indi-
 7 vidual maintains, makes contributions to or receives distributions from the ABLE account.

8 (4)(a) Except as provided by federal law, upon the death of a designated beneficiary, amounts in
 9 an ABLE account may be transferred to the estate of the designated beneficiary or an ABLE ac-
 10 count of another eligible individual specified by the designated beneficiary or the estate of the des-
 11 ignated beneficiary.

12 (b) Except as required by federal law, the Department of Human Services and the Oregon
 13 *[Health Authority]* **Department of Health** may not seek payment under ORS 416.350 or section
 14 529A(f) of the Internal Revenue Code from amounts in an ABLE account or from amounts trans-
 15 ferred from an ABLE account under paragraph (a) of this subsection.

16 (5) The board may collect application, account or administrative fees to defray the costs of the
 17 ABLE program.

18 **SECTION 96.** ORS 179.010 is amended to read:

19 179.010. As used in this chapter, unless the context requires otherwise:

20 (1) "Institution" means the institutions designated in ORS 179.321.

21 (2) "Agency" means:

22 (a) The Department of Corrections when the institution is a Department of Corrections institu-
 23 tion, as defined in ORS 421.005;

24 (b) The Department of Human Services when the institution is the facility formerly used as the
 25 Eastern Oregon Training Center; or

26 (c) The Oregon *[Health Authority]* **Department of Health** when the institution is an Oregon
 27 State Hospital campus.

28 **SECTION 97.** ORS 179.040 is amended to read:

29 179.040. (1) The Department of Corrections, the Department of Human Services and the Oregon
 30 *[Health Authority]* **Department of Health** shall:

31 (a) Govern, manage and administer the affairs of the public institutions and works within their
 32 respective jurisdictions.

33 (b) Enter into contracts for the planning, erection, completion and furnishings of all new
 34 buildings or additions at their respective institutions.

35 (c) Subject to any applicable provisions of ORS 279A.125, 279A.255, 279A.275, 279A.280,
 36 279A.285, 279A.290, 279B.025, 279B.240, 279B.270, 279B.275, 279B.280 and 283.110 to 283.395, enter
 37 into contracts for the purchase of supplies for their respective institutions.

38 (d) Make and adopt rules for the guidance of the agencies and for the government of their re-
 39 spective institutions.

40 (2) The agencies, respectively, may:

41 (a) Sue and plead in all courts of law and equity.

42 (b) Subject to ORS 279A.050 (7), procure, contract for or enter into agreements for goods and
 43 services of all kinds, including personal services contracts designated under ORS 279A.055, and
 44 perform all legal acts requisite and necessary for the successful management and maintenance of the
 45 institutions within their respective jurisdictions.

1 **SECTION 98.** ORS 179.050 is amended to read:

2 179.050. The Department of Corrections, the Department of Human Services and the Oregon
 3 *[Health Authority]* **Department of Health** may receive, take and hold property, both real and per-
 4 sonal, for any institution within their respective jurisdictions. Title shall be taken in the name of
 5 the state.

6 **SECTION 99.** ORS 179.055 is amended to read:

7 179.055. (1) The revenue from the rental or lease of property administered by an institution
 8 governed or managed by the Department of Corrections, the Department of Human Services or the
 9 Oregon *[Health Authority]* **Department of Health**, except dormitory and housing rentals at insti-
 10 tutions governed by the agencies, shall be deposited in the account of the respective agency for use
 11 by the respective agency to pay for the cost of administration, taxes, repairs and improvements on
 12 the property.

13 (2) The agencies may request the Oregon Department of Administrative Services to make nec-
 14 essary repairs and improvements on the property described in subsection (1) of this section to be
 15 paid for by the agencies from the proceeds derived from such rental or lease of the property or from
 16 appropriations otherwise available.

17 **SECTION 100.** ORS 179.065 is amended to read:

18 179.065. The Department of Corrections, the Department of Human Services and the Oregon
 19 *[Health Authority]* **Department of Health** shall have the same powers with respect to furnishing
 20 heat, light, power, sewage, fire protection and communications facilities to institutions under their
 21 respective jurisdictions as is granted to the Oregon Department of Administrative Services under
 22 ORS 276.210 to 276.228, 276.234 to 276.244, 276.250 and 276.252. The powers shall be exercised in
 23 accordance with and subject to the provisions of such sections.

24 **SECTION 101.** ORS 179.105 is amended to read:

25 179.105. (1) For a purpose of ORS 179.040, including aid and support of research in any of the
 26 institutions, the Department of Corrections, the Department of Human Services and the Oregon
 27 *[Health Authority]* **Department of Health** may in their respective discretions accept from the
 28 United States or any of its agencies financial assistance and grants in the form of money or labor,
 29 or from any other source any donation or grant of land or gift of money or any other thing. Funds
 30 accepted in accordance with the provisions of this section and ORS 179.110 shall be deposited with
 31 the State Treasurer and, subject to subsection (2) of this section, are continuously appropriated to
 32 the Department of Corrections, the Department of Human Services or the Oregon *[Health*
 33 *Authority]* **Department of Health**, as appropriate, and may be expended by the Department of
 34 Corrections, the Department of Human Services or the Oregon *[Health Authority]* **Department of**
 35 **Health** according to the conditions and terms of the grant or donation.

36 (2) Funds received under subsection (1) of this section or ORS 179.110 shall be expended subject
 37 to expenditure limitations imposed on the Department of Corrections, the Department of Human
 38 Services or the Oregon *[Health Authority]* **Department of Health** by the Legislative Assembly or,
 39 in the absence of such limitations, only after approval of the Legislative Assembly or of the Emer-
 40 gency Board, if approval is required during the interim between sessions of the Legislative Assem-
 41 bly.

42 (3) In any case where prior approval of the authority to expend any funds available under sub-
 43 section (1) of this section or ORS 179.110 is imposed as a term or condition of receipt of such funds,
 44 the Legislative Assembly or the Emergency Board may approve expenditures of such funds prior to
 45 their receipt.

1 **SECTION 102.** ORS 179.110 is amended to read:

2 179.110. Subject to the approval of the Director of the Oregon Department of Administrative
3 Services, the Department of Corrections, the Department of Human Services and the Oregon [*Health*
4 *Authority*] **Department of Health**, respectively, may accept and receive grants of funds from the
5 United States or any of its agencies for the construction, equipment and betterment of any of the
6 institutions under its jurisdiction and may cooperate with the United States or its agencies in such
7 construction, equipment and betterment. Any balances of appropriations for capital outlay for any
8 institution resulting from the use of funds so received shall be placed in a common fund. The De-
9 partment of Corrections, the Department of Human Services and the Oregon [*Health Authority*]
10 **Department of Health** are authorized and empowered in their discretion to expend such common
11 fund or any portion thereof in the construction, equipment or betterment of any institution under
12 its jurisdiction.

13 **SECTION 103.** ORS 179.140 is amended to read:

14 179.140. Subject to any applicable provision of ORS 279A.125, 279A.255, 279A.275, 279A.280,
15 279A.285, 279A.290, 279B.025, 279B.240, 279B.270, 279B.275, 279B.280, 283.110 to 283.395 and 291.232
16 to 291.260, all claims for supplies or materials furnished or services rendered to institutions shall
17 be audited and approved as provided by law, upon the presentation of duly verified vouchers there-
18 for, approved in writing by the Director of the Department of Corrections, the Director of Human
19 Services or the Director of the Oregon [*Health Authority*] **Department of Health**, or by their
20 designees.

21 **SECTION 104.** ORS 179.150 is amended to read:

22 179.150. No officer of the Department of Corrections, the Department of Human Services or the
23 Oregon [*Health Authority*] **Department of Health** or officer, employee or other person connected
24 with an institution shall be pecuniarily interested in any contract for supplies or services furnished
25 or rendered to an institution, other than the services of regular employment.

26 **SECTION 105.** ORS 179.210 is amended to read:

27 179.210. (1) The Department of Human Services, the Department of Corrections, the Oregon
28 [*Health Authority*] **Department of Health** and the Superintendent of Public Instruction may audit,
29 allow and pay a claim for damage to property made by an employee of one of those agencies if:

30 (a) The damage to property arises out of the claimant's employment at one of the institutions
31 or facilities operated by the agencies, or the school operated by the Superintendent of Public In-
32 struction under ORS 346.010; and

33 (b) The employee files a written claim with the employee's employer within 180 days after the
34 employee discovers or should have discovered the damage.

35 (2) No claim under subsection (1) of this section shall be paid:

36 (a) That exceeds, in the aggregate with payments of other claims, the moneys appropriated for
37 such purpose.

38 (b) To the extent that the person incurring damage has been or may be compensated by liability
39 insurance or otherwise.

40 (c) If the agencies or the Superintendent of Public Instruction determines the cause or occasion
41 of the accident resulting in damage is chargeable to the conduct or negligence of the party damaged.

42 **SECTION 106.** ORS 179.230 is amended to read:

43 179.230. The decision of the Department of Human Services, the Department of Corrections, the
44 Oregon [*Health Authority*] **Department of Health** or the Superintendent of Public Instruction to
45 reject any claim filed under ORS 179.210 is final, and is not subject to review under ORS chapter

1 183, or by any other agency or court. The provisions of this section do not affect any other remedy
 2 that may be available to the claimant under law.

3 **SECTION 107.** ORS 179.240 is amended to read:

4 179.240. (1) If any person owes a debt to this state or a state agency, and the debt has been fixed
 5 by final judgment of a court of competent jurisdiction or is no longer subject to judicial review, the
 6 Department of Corrections, the Department of Human Services or the Oregon [*Health Authority*]
 7 **Department of Health** shall deduct the amount of the debt from any award made to that person
 8 under ORS 179.210.

9 (2) The agencies shall request the State Treasurer to transfer to the appropriate fund or account
 10 to which the debt is owed, an amount equal to the amount deducted from the award under sub-
 11 section (1) of this section, for use during that biennium in accordance with law by the state agency
 12 administering the fund or account to which the debt is owed. The State Treasurer shall evidence the
 13 transfer by proper bookkeeping entries. If the Department of Corrections, the Department of Human
 14 Services, the Oregon [*Health Authority*] **Department of Health** or the State Treasurer cannot de-
 15 termine the appropriate fund or account, the amount shall be transferred to the General Fund for
 16 general governmental purposes.

17 (3) Any debt owed by a person to this state or a state agency is satisfied, upon the completion
 18 of a transfer made pursuant to subsection (2) of this section, to the extent of the amount so trans-
 19 ferred.

20 **SECTION 108.** ORS 179.321 is amended to read:

21 179.321. (1) The Oregon [*Health Authority*] **Department of Health** shall operate, control, man-
 22 age and supervise the Oregon State Hospital campuses.

23 (2) The Department of Corrections shall operate, control, manage and supervise those insti-
 24 tutions defined as Department of Corrections institutions in ORS 421.005.

25 **SECTION 109.** ORS 179.325 is amended to read:

26 179.325. (1) The Department of Human Services may order the change, in all or part, of the
 27 purpose and use of any state institution being used as an institution for the care and treatment of
 28 persons with developmental disabilities in order to care for persons committed to its custody when-
 29 ever the department determines that a change in purpose and use will better enable this state to
 30 meet its responsibilities to persons with developmental disabilities. In determining whether to order
 31 the change, the department shall consider changes in the number and source of the admissions of
 32 persons with developmental disabilities.

33 (2) The Oregon [*Health Authority*] **Department of Health** may order the change, in all or part,
 34 of the purpose and use of any state institution being used as an institution for the care and treat-
 35 ment of persons with mental illness in order to care for persons committed to its custody whenever
 36 the [*authority*] **department** determines that a change in purpose and use will better enable this state
 37 to meet its responsibilities to persons with mental illness. In determining whether to order the
 38 change, the [*authority*] **department** shall consider changes in the number and source of the admis-
 39 sions of persons with mental illness.

40 **SECTION 110.** ORS 179.331 is amended to read:

41 179.331. (1) The superintendents shall be appointed and, whenever the public service requires
 42 such action, may be removed, suspended or discharged, as follows:

43 (a) The superintendent of the Oregon State Hospital, by the Director of the Oregon [*Health*
 44 *Authority*] **Department of Health**.

45 (b) The superintendents of Department of Corrections institutions as defined in ORS 421.005, by

1 the Director of the Department of Corrections.

2 (2) For purposes of the State Personnel Relations Law, the superintendents are assigned to the
3 unclassified service.

4 **SECTION 111.** ORS 179.360 is amended to read:

5 179.360. (1) Each superintendent shall:

6 (a) Have custody of the residents of the institution under jurisdiction of the superintendent.

7 (b) Direct the care, custody and training of the residents unless otherwise directed by law or
8 by rule.

9 (c) Adopt sanitary measures for the health and comfort of the residents.

10 (d) Promote the mental, moral and physical welfare and development of the residents.

11 (e) Enjoy the other powers and privileges and perform the other duties that are prescribed by
12 law or by rule or that naturally attach themselves to the position of superintendent.

13 (2) The Director of the Department of Corrections and the Director of the Oregon [*Health Au-*
14 *thority*] **Department of Health** shall prescribe for their respective institutions:

15 (a) The duties of the superintendents where the duties are not prescribed by law.

16 (b) The additional duties, beyond those prescribed by law, that each agency director considers
17 necessary for the good of the public service.

18 **SECTION 112.** ORS 179.370 is amended to read:

19 179.370. The Director of the Department of Corrections or the Director of the Oregon [*Health*
20 *Authority*] **Department of Health** may require that a superintendent reside in state-provided hous-
21 ing at the institution under the jurisdiction of the superintendent. The rental shall be determined
22 pursuant to ORS 182.425.

23 **SECTION 113.** ORS 179.375 is amended to read:

24 179.375. (1) The Department of Corrections and the Oregon [*Health Authority*] **Department of**
25 **Health** shall ensure that adequate chaplaincy services, including but not limited to Protestant and
26 Roman Catholic, are available at their respective institutions.

27 (2) Chaplains serving the various institutions shall, with respect to the adults in custody or pa-
28 tients at such institutions:

29 (a) Provide for and attend to their spiritual needs.

30 (b) Visit them for the purpose of giving religious and moral instruction.

31 (c) Participate in the rehabilitation programs affecting them.

32 **SECTION 114.** ORS 179.380 is amended to read:

33 179.380. (1) The Department of Corrections and the Oregon [*Health Authority*] **Department of**
34 **Health** shall authorize the employment of all necessary physicians, attendants, nurses, engineers,
35 messengers, clerks, guards, cooks, waiters and other officers and employees not specifically author-
36 ized by law and necessary to the successful maintenance of their respective institutions. The
37 amounts expended for the services of such officers and employees shall not exceed the amounts
38 provided therefor in the biennial appropriations for the institution.

39 (2) The agencies shall designate in their respective rules which employees shall be officers, and
40 shall require all officers to take and subscribe to an oath of office and, if the circumstances require
41 it, to furnish bonds.

42 **SECTION 115.** ORS 179.385 is amended to read:

43 179.385. The Department of Corrections and the Oregon [*Health Authority*] **Department of**
44 **Health**, respectively, may establish scholarship programs to provide assistance in securing qualified
45 personnel at state institutions governed by them. Scholarships authorized by this section shall be

1 granted in accordance with rules and regulations adopted respectively by the agencies.

2 **SECTION 116.** ORS 179.390 is amended to read:

3 179.390. (1) The superintendent of an institution within the jurisdiction of the Department of
4 Corrections shall, subject to the approval of the Director of the Department of Corrections, appoint
5 in the manner provided by law all assistants, officers and other employees at the institution under
6 the jurisdiction of the superintendent. The superintendent may suspend or remove an assistant, of-
7 ficer or other employee in the manner provided by law, reporting all acts of suspension or removal
8 to the Director of the Department of Corrections for approval or disapproval.

9 (2) The Director of the Oregon [*Health Authority*] **Department of Health** or a designee at a
10 facility under the jurisdiction of the Oregon Health Authority shall, as provided by law, appoint,
11 suspend or discharge an employee of the [*authority*] **department**. The director or a designee shall
12 discharge an employee at a facility under the jurisdiction of the [*authority*] **department** if it has
13 been substantiated that the employee physically or sexually abused a patient or client.

14 (3) The Director of the Department of Corrections and the Director of the Oregon [*Health Au-*
15 *thority*] **Department of Health** shall:

16 (a) Fix the salaries of assistants, officers and employees where their salary is not fixed by law.

17 (b) Suspend or discharge any subordinate of a superintendent when public service requires such
18 action, except when suspending or discharging the subordinate violates the State Personnel Re-
19 lations Law under ORS chapter 240.

20 (4) The Director of the Oregon [*Health Authority*] **Department of Health** may designate up to
21 three employees at each facility under the jurisdiction of the Oregon [*Health Authority*] **Department**
22 **of Health** to act in the name of the director in accordance with ORS 240.400.

23 (5) In addition to or in lieu of employing physicians, the Director of the Department of Cor-
24 rections or the designee of the director may contract for the personal services of physicians licensed
25 to practice medicine by the Oregon Medical Board or naturopathic physicians licensed under ORS
26 chapter 685 to serve as medical advisors for the Oregon [*Health Authority*] **Department of**
27 **Health**. Advisors under contracts entered into under this subsection shall be directly responsible for
28 administration of medical treatment programs at penal and correctional institutions, as defined in
29 ORS 421.005.

30 **SECTION 117.** ORS 179.450 is amended to read:

31 179.450. The Department of Corrections and the Oregon [*Health Authority*] **Department of**
32 **Health** may direct the employment of able-bodied persons at the agencies' respective institutions,
33 in the performance of useful work upon land owned by the state if it does not compete with free
34 labor. Work may not be performed upon any such land except by consent and approval of the agency
35 of the state having management of the land.

36 **SECTION 118.** ORS 179.460 is amended to read:

37 179.460. (1) In order to encourage industry and thereby increase productiveness in the insti-
38 tutions, the Department of Corrections and the Oregon [*Health Authority*] **Department of Health**
39 shall prescribe rules and regulations for the sale and exchange of surplus products of each.

40 (2) The funds derived from the sale of the surplus products shall be paid into the State Treasury
41 and become a part of a fund to be known as the State Institutional Betterment Fund, which fund
42 shall be expended by the agencies, respectively, for the benefit of the institutions in proportion to
43 the amount earned by each.

44 (3) The provisions of this section apply to the school operated under ORS 346.010.

45 **SECTION 119.** ORS 179.473 is amended to read:

1 179.473. (1) Whenever the health and welfare of the person and the efficient administration of
2 the institution require the transfer of an adult in custody in a Department of Corrections institution
3 or an adjudicated youth in a youth correction facility to another institution or facility:

4 (a) The Department of Corrections or the Oregon Youth Authority, with the consent of the De-
5 partment of Human Services, may transfer a person at any institution under its jurisdiction to a
6 residential facility for persons with intellectual disabilities or, with the consent of the Oregon
7 Health and Science University, to the Oregon Health and Science University.

8 (b) The Department of Corrections may transfer an adult in custody in a Department of Cor-
9 rections institution to a state hospital listed in ORS 426.010 for evaluation and treatment pursuant
10 to rules adopted jointly by the Department of Corrections and the Oregon *[Health Authority]* **De-**
11 **partment of Health.**

12 (c) The Oregon Youth Authority may transfer an adjudicated youth or other person confined in
13 a youth correction facility to a hospital or facility designated by the Oregon *[Health Authority]*
14 **Department of Health** for evaluation and treatment pursuant to rules adopted jointly by the
15 Oregon Youth Authority and the Oregon *[Health Authority]* **Department of Health.**

16 (d) Except as provided in subsection (2) of this section, the Department of Corrections or the
17 Oregon Youth Authority may make a transfer of a person from any institution under the jurisdiction
18 of the department or the Oregon Youth Authority to any other institution under the jurisdiction of
19 the department or authority.

20 (2) An adjudicated youth in a youth correction facility may not be transferred to a Department
21 of Corrections institution under subsection (1) of this section. An adjudicated youth in a youth cor-
22 rection facility who has been transferred to another institution may not be transferred from such
23 other institution to a Department of Corrections institution.

24 (3) The rules adopted under subsection (1)(b) and (c) of this section must:

25 (a) Provide the adult in custody or adjudicated youth with the rights to which persons are en-
26 titled under ORS 179.485.

27 (b) Provide that a transfer of an adult in custody or an adjudicated youth to the Oregon *[Health*
28 *Authority]* **Department of Health** for stabilization and evaluation for treatment may not exceed 30
29 days unless the transfer is extended pursuant to a hearing required by paragraph (c) of this sub-
30 section.

31 (c) Provide for an administrative commitment hearing if:

32 (A) The Oregon *[Health Authority]* **Department of Health** determines that administrative com-
33 mitment for treatment for a mental illness is necessary or advisable or that the *[authority]* **depart-**
34 **ment** needs more than 30 days to stabilize or evaluate the adult in custody or adjudicated youth for
35 treatment; and

36 (B) The adult in custody or adjudicated youth does not consent to the administrative commit-
37 ment or an extension of the transfer.

38 (d) Provide for, at a minimum, all of the following for the administrative commitment hearing
39 process:

40 (A) Written notice to the adult in custody or adjudicated youth that an administrative commit-
41 ment to a state hospital listed in ORS 426.010 or a hospital or facility designated by the Oregon
42 *[Health Authority]* **Department of Health** or an extension of the transfer is being considered. The
43 notice required by this subparagraph must be provided far enough in advance of the hearing to
44 permit the adult in custody or adjudicated youth to prepare for the hearing.

45 (B) Disclosure to the adult in custody or adjudicated youth, at the hearing, of the evidence that

1 is being relied upon for the administrative commitment or the extension of the transfer.

2 (C) An opportunity, at the hearing, for the adult in custody or adjudicated youth to be heard in
3 person and to present documentary evidence.

4 (D) An opportunity, at the hearing, for the adult in custody or adjudicated youth to present the
5 testimony of witnesses and to confront and cross-examine witnesses called by the state. The oppor-
6 tunity required by this subparagraph may be denied upon a finding by the decision maker of good
7 cause for not permitting the adult in custody or adjudicated youth to present the testimony of wit-
8 nesses or confront or cross-examine witnesses called by the state.

9 (E) An independent decision maker for the hearing.

10 (F) A written statement by the decision maker of the evidence relied upon by the decision maker
11 and the reasons for administratively committing the adult in custody or adjudicated youth or ex-
12 tending the transfer.

13 (G) A qualified and independent assistant for the adult in custody or adjudicated youth to be
14 provided by the state if the adult in custody or adjudicated youth is financially unable to provide
15 one.

16 (H) Effective and timely notice of the procedures required by subparagraphs (A) to (G) of this
17 paragraph.

18 (e) Provide that an adult in custody or an adjudicated youth may not be administratively com-
19 mitted involuntarily unless the independent decision maker finds by clear and convincing evidence
20 that the adult in custody or adjudicated youth is a person with mental illness as defined in ORS
21 426.005.

22 (f) Provide that the duration of an administrative commitment pursuant to an administrative
23 commitment hearing be no more than 180 days unless the administrative commitment is renewed in
24 a subsequent administrative commitment hearing. Notwithstanding this paragraph, an administrative
25 commitment may not continue beyond the term of incarceration to which the adult in custody was
26 sentenced or beyond the period of time that the adjudicated youth may be placed in a youth cor-
27 rection facility.

28 **SECTION 120.** ORS 179.479 is amended to read:

29 179.479. (1) The superintendent or other chief executive officer of an institution described in
30 ORS 179.321 may, when authorized by regulation or direction of the Department of Corrections or
31 the Oregon [*Health Authority*] **Department of Health**, convey an adult in custody to a physician,
32 clinic or hospital, including the Oregon Health and Science University, for medical, surgical or
33 dental treatment when such treatment cannot satisfactorily be provided at the institution. An adult
34 in custody conveyed for treatment pursuant to this section shall be kept in the custody of the in-
35 stitution from which the adult in custody is conveyed.

36 (2) The Department of Corrections and the Oregon [*Health Authority*] **Department of Health**
37 shall prescribe rules and regulations governing conveyances authorized by this section.

38 **SECTION 121.** ORS 179.490 is amended to read:

39 179.490. In the case of a necessary or emergency operation requiring the services of a specialist,
40 and where the relatives or guardians, in the judgment of the Department of Corrections or the
41 Oregon [*Health Authority*] **Department of Health**, are unable to pay a part or the whole cost of the
42 operation, the agencies may have the operation performed, the cost of the operation to be payable
43 from the funds of the institution concerned.

44 **SECTION 122.** ORS 179.492 is amended to read:

45 179.492. (1) The Department of Corrections, the Department of Human Services or the Oregon

1 [Health Authority] **Department of Health** shall dispense as written a prescription for a brand-name
 2 mental health drug prescribed for a person while the person is in the custody of an institution de-
 3 scribed in ORS 179.321 or who has been committed pursuant to ORS 427.235 to 427.290, if the pre-
 4 scription specifies “dispense as written” or contains the notation “D.A.W.” or other words of similar
 5 meaning.

6 (2) If, at the time of commitment to the custody of an institution described in ORS 179.321 or
 7 to the custody of the Department of Human Services under ORS 427.290, a person has a prescription
 8 for a specified brand-name mental health drug and the prescription specifies “dispense as written”
 9 or contains the notation “D.A.W.” or other words of similar meaning, the Department of Corrections,
 10 the Department of Human Services or the Oregon [Health Authority] **Department of Health** shall
 11 ensure that the person is prescribed the specified brand-name drug until a licensed health profes-
 12 sional with prescriptive privileges evaluates the person and becomes responsible for the treatment
 13 of the person.

14 **SECTION 123.** ORS 179.505 is amended to read:

15 179.505. (1) As used in this section:

16 (a) “Disclosure” means the release of, transfer of, provision of access to or divulgence in any
 17 other manner of information outside the health care services provider holding the information.

18 (b) “Health care services provider” means:

19 (A) Medical personnel or other staff employed by or under contract with a public provider to
 20 provide health care or maintain written accounts of health care provided to individuals; or

21 (B) Units, programs or services designated, operated or maintained by a public provider to pro-
 22 vide health care or maintain written accounts of health care provided to individuals.

23 (c) “Individually identifiable health information” means any health information that is:

24 (A) Created or received by a health care services provider; and

25 (B) Identifiable to an individual, including demographic information that identifies the individual,
 26 or for which there is a reasonable basis to believe the information can be used to identify an indi-
 27 vidual, and that relates to:

28 (i) The past, present or future physical or mental health or condition of an individual;

29 (ii) The provision of health care to an individual; or

30 (iii) The past, present or future payment for the provision of health care to an individual.

31 (d) “Personal representative” includes but is not limited to:

32 (A) A person appointed as a guardian under ORS 125.305, 419B.372, 419C.481 or 419C.555 with
 33 authority to make medical and health care decisions;

34 (B) A person appointed as a health care representative under ORS 127.505 to 127.660 or a rep-
 35 resentative under ORS 127.700 to 127.737 to make health care decisions or mental health treatment
 36 decisions; and

37 (C) A person appointed as a personal representative under ORS chapter 113.

38 (e) “Psychotherapy notes” means notes recorded in any medium:

39 (A) By a mental health professional, in the performance of the official duties of the mental
 40 health professional;

41 (B) Documenting or analyzing the contents of conversation during a counseling session; and

42 (C) That are maintained separately from the rest of the individual’s record.

43 (f) “Psychotherapy notes” does not mean notes documenting:

44 (A) Medication prescription and monitoring;

45 (B) Counseling session start and stop times;

- 1 (C) Modalities and frequencies of treatment furnished;
- 2 (D) Results of clinical tests; or
- 3 (E) Any summary of the following items:
- 4 (i) Diagnosis;
- 5 (ii) Functional status;
- 6 (iii) Treatment plan;
- 7 (iv) Symptoms;
- 8 (v) Prognosis; or
- 9 (vi) Progress to date.
- 10 (g) "Public provider" means:
- 11 (A) The Oregon State Hospital campuses;
- 12 (B) Department of Corrections institutions as defined in ORS 421.005;
- 13 (C) A contractor of the Department of Corrections or the Oregon *[Health Authority]* **Depart-**
- 14 **ment of Health** that provides health care to individuals residing in a state institution operated by
- 15 the agencies;
- 16 (D) A community mental health program or community developmental disabilities program as
- 17 described in ORS 430.610 to 430.695 and the public and private entities with which it contracts to
- 18 provide mental health or developmental disabilities programs or services;
- 19 (E) A program or service provided under ORS 431.001 to 431.550 and 431.990;
- 20 (F) A community mental health program or service established or maintained under ORS 430.630
- 21 or a community developmental disabilities program described in ORS 430.620 (1)(a) or (c);
- 22 (G) A program or facility providing an organized full-day or part-day program of treatment that
- 23 is licensed, approved, established, maintained or operated by or contracted with the Oregon *[Health*
- 24 *Authority]* **Department of Health** for alcoholism, drug addiction or mental or emotional disturb-
- 25 *ance*;
- 26 (H) A program or service providing treatment by appointment that is licensed, approved, estab-
- 27 *lished*, maintained or operated by or contracted with the *[authority]* **department** for alcoholism,
- 28 drug addiction or mental or emotional disturbance; or
- 29 (I) The impaired health professional program established under ORS 676.190.
- 30 (h) "Written account" means records containing only individually identifiable health information.
- 31 (2) Except as provided in subsections (3), (4), (6), (7), (8), (9), (11), (12), (14), (15), (16), (17) and (18)
- 32 of this section or unless otherwise permitted or required by state or federal law or by order of the
- 33 court, written accounts of the individuals served by any health care services provider maintained
- 34 in or by the health care services provider by the officers or employees thereof who are authorized
- 35 to maintain written accounts within the official scope of their duties are not subject to access and
- 36 may not be disclosed. This subsection applies to written accounts maintained in or by facilities of
- 37 the Department of Corrections only to the extent that the written accounts concern the medical,
- 38 dental or psychiatric treatment as patients of those under the jurisdiction of the Department of
- 39 Corrections.
- 40 (3) If the individual or a personal representative of the individual provides an authorization, the
- 41 content of any written account referred to in subsection (2) of this section must be disclosed ac-
- 42 cordingly, if the authorization is in writing and is signed and dated by the individual or the personal
- 43 representative of the individual and sets forth with specificity the following:
- 44 (a) Name of the health care services provider authorized to make the disclosure, except when
- 45 the authorization is provided by recipients of or applicants for public assistance or medical assist-

1 ance, as defined in ORS 414.025, to a governmental entity for purposes of determining eligibility for
2 benefits or investigating for fraud;

3 (b) Name or title of the persons or organizations to which the information is to be disclosed or
4 that information may be disclosed to the public;

5 (c) Name of the individual;

6 (d) Extent or nature of the information to be disclosed; and

7 (e) Statement that the authorization is subject to revocation at any time except to the extent
8 that action has been taken in reliance thereon, and a specification of the date, event or condition
9 upon which it expires without express revocation. However, a revocation of an authorization is not
10 valid with respect to inspection or records necessary to validate expenditures by or on behalf of
11 governmental entities.

12 (4) The content of any written account referred to in subsection (2) of this section may be dis-
13 closed without an authorization:

14 (a) To any person to the extent necessary to meet a medical emergency.

15 (b) At the discretion of the responsible officer of the health care services provider, which in the
16 case of any Oregon [*Health Authority*] **Department of Health** facility or community mental health
17 program is the Director of the Oregon [*Health Authority*] **Department of Health**, to persons en-
18 gaged in scientific research, program evaluation, peer review and fiscal audits. However, individual
19 identities may not be disclosed to such persons, except when the disclosure is essential to the re-
20 search, evaluation, review or audit and is consistent with state and federal law.

21 (c) To governmental agencies when necessary to secure compensation for services rendered in
22 the treatment of the individual.

23 (5) When an individual's identity is disclosed under subsection (4) of this section, a health care
24 services provider shall prepare, and include in the permanent records of the health care services
25 provider, a written statement indicating the reasons for the disclosure, the written accounts dis-
26 closed and the recipients of the disclosure.

27 (6) The content of any written account referred to in subsection (2) of this section and held by
28 a health care services provider currently engaged in the treatment of an individual may be disclosed
29 to officers or employees of that provider, its agents or cooperating health care services providers
30 who are currently acting within the official scope of their duties to evaluate treatment programs,
31 to diagnose or treat or to assist in diagnosing or treating an individual when the written account
32 is to be used in the course of diagnosing or treating the individual. Nothing in this subsection
33 prevents the transfer of written accounts referred to in subsection (2) of this section among health
34 care services providers, the Department of Corrections, the Oregon [*Health Authority*] **Department**
35 **of Health** or a local correctional facility when the transfer is necessary or beneficial to the treat-
36 ment of an individual.

37 (7) When an action, suit, claim, arbitration or proceeding is brought under ORS 34.105 to 34.240
38 or 34.310 to 34.730 and involves a claim of constitutionally inadequate medical care, diagnosis or
39 treatment, or is brought under ORS 30.260 to 30.300 and involves the Department of Corrections or
40 an institution operated by the department, nothing in this section prohibits the disclosure of any
41 written account referred to in subsection (2) of this section to the Department of Justice, Oregon
42 Department of Administrative Services, or their agents, upon request, or the subsequent disclosure
43 to a court, administrative hearings officer, arbitrator or other administrative decision maker.

44 (8)(a) When an action, suit, claim, arbitration or proceeding involves the Oregon [*Health Au-*
45 *thority*] **Department of Health** or an institution operated by the [*authority*] **Oregon Department**

1 **of Health**, nothing in this section prohibits the disclosure of any written account referred to in
2 subsection (2) of this section to the Department of Justice, Oregon Department of Administrative
3 Services, or their agents.

4 (b) Disclosure of information in an action, suit, claim, nonlabor arbitration or proceeding is
5 limited by the relevancy restrictions of ORS 40.010 to 40.585, 183.710 to 183.730, 183.745 and 183.750
6 and ORS chapter 183. Only written accounts of a plaintiff, claimant or petitioner shall be disclosed
7 under this paragraph.

8 (c) Disclosure of information as part of a labor arbitration or proceeding to support a personnel
9 action taken against staff is limited to written accounts directly relating to alleged action or in-
10 action by staff for which the personnel action was imposed.

11 (9)(a) The copy of any written account referred to in subsection (2) of this section, upon written
12 request of the individual or a personal representative of the individual, shall be disclosed to the
13 individual or the personal representative of the individual within a reasonable time not to exceed
14 five working days. The individual or the personal representative of the individual shall have the
15 right to timely access to any written accounts.

16 (b) If the disclosure of psychiatric or psychological information contained in the written account
17 would constitute an immediate and grave detriment to the treatment of the individual, disclosure
18 may be denied, if medically contraindicated by the treating physician or a licensed health care
19 professional in the written account of the individual.

20 (c) The Department of Corrections may withhold psychiatric or psychological information if:

21 (A) The information relates to an individual other than the individual seeking it.

22 (B) Disclosure of the information would constitute a danger to another individual.

23 (C) Disclosure of the information would compromise the privacy of a confidential source.

24 (d) However, a written statement of the denial under paragraph (c) of this subsection and the
25 reasons therefor must be entered in the written account.

26 (10) A health care services provider may require a person requesting disclosure of the contents
27 of a written account under this section to reimburse the provider for the reasonable costs incurred
28 in searching files, abstracting if requested and copying if requested. However, an individual or a
29 personal representative of the individual may not be denied access to written accounts concerning
30 the individual because of inability to pay.

31 (11) A written account referred to in subsection (2) of this section may not be used to initiate
32 or substantiate any criminal, civil, administrative, legislative or other proceedings conducted by
33 federal, state or local authorities against the individual or to conduct any investigations of the in-
34 dividual. If the individual, as a party to an action, suit or other judicial proceeding, voluntarily
35 produces evidence regarding an issue to which a written account referred to in subsection (2) of this
36 section would be relevant, the contents of that written account may be disclosed for use in the
37 proceeding.

38 (12) Information obtained in the course of diagnosis, evaluation or treatment of an individual
39 that, in the professional judgment of the health care services provider, indicates a clear and imme-
40 diate danger to others or to society may be reported to the appropriate authority. A decision not
41 to disclose information under this subsection does not subject the provider to any civil liability.
42 Nothing in this subsection may be construed to alter the provisions of ORS 124.088, 146.750, 146.760,
43 419B.010, 419B.015, 419B.020, 419B.025, 419B.030, 419B.035, 419B.040, 419B.045, 430.738 or 441.674.

44 (13) The prohibitions of this section apply to written accounts concerning any individual who
45 has been treated by any health care services provider irrespective of whether or when the individual

1 ceases to receive treatment.

2 (14) Persons other than the individual or the personal representative of the individual who are
3 granted access under this section to the contents of a written account referred to in subsection (2)
4 of this section may not disclose the contents of the written account to any other person except in
5 accordance with the provisions of this section.

6 (15) Nothing in this section prevents the Department of Human Services or the Oregon [*Health*
7 *Authority*] **Department of Health** from disclosing the contents of written accounts in its possession
8 to individuals or agencies with whom children in its custody are placed.

9 (16) The system described in ORS 192.517 (1) shall have access to records, as defined in ORS
10 192.515, as provided in ORS 192.517.

11 (17)(a) Except as provided in paragraph (b) of this subsection, a health care services provider
12 must obtain an authorization from an individual or a personal representative of the individual to
13 disclose psychotherapy notes.

14 (b) A health care services provider may use or disclose psychotherapy notes without obtaining
15 an authorization from the individual or a personal representative of the individual to carry out the
16 following treatment, payment and health care operations:

17 (A) Use by the originator of the psychotherapy notes for treatment;

18 (B) Disclosure by the health care services provider for its own training program in which stu-
19 dents, trainees or practitioners in mental health learn under supervision to practice or improve their
20 skills in group, joint, family or individual counseling; or

21 (C) Disclosure by the health care services provider to defend itself in a legal action or other
22 proceeding brought by the individual or a personal representative of the individual.

23 (c) An authorization for the disclosure of psychotherapy notes may not be combined with an
24 authorization for a disclosure of any other individually identifiable health information, but may be
25 combined with another authorization for a disclosure of psychotherapy notes.

26 (18) A health care services provider may disclose information contained in a written account if
27 the conditions of ORS 192.567 (1) to (5) or 192.577 are met.

28 **SECTION 124.** ORS 179.509 is amended to read:

29 179.509. (1) The superintendent of each state institution shall submit quarterly reports on the
30 number of deaths, including the ages of the deceased, the causes of death and the disposition of the
31 remains, within the institution to the Department of Corrections or the Oregon [*Health Authority*]
32 **Department of Health**, as the case may be, having jurisdiction over the institution.

33 (2) The agencies shall compile the reports described in subsection (1) of this section and submit
34 them quarterly to the offices of the President of the Senate and of the Speaker of the House of
35 Representatives.

36 **SECTION 125.** ORS 179.560 is amended to read:

37 179.560. (1) There is established in the Oregon [*Health Authority*] **Department of Health** the
38 Oregon State Hospital Advisory Board, consisting of 16 members. Two nonvoting members shall be
39 from the Legislative Assembly, one appointed by the President of the Senate and one appointed by
40 the Speaker of the House of Representatives. Fourteen members shall be appointed by the Governor
41 and be subject to confirmation by the Senate in the manner prescribed in ORS 171.562 and 171.565
42 and shall include the following:

43 (a) Three voting members who are individuals who advocate for or provide representation to
44 individuals with mental illness;

45 (b) Three voting members who are health care professionals who have experience working with

1 individuals with mental illness;

2 (c) Two voting members who are or have been consumers of mental health services, at least one
3 of whom is a former patient of the Oregon State Hospital located in Salem, Marion County;

4 (d) One voting member who is a member of the family of a consumer of mental health services;

5 (e) Two voting members who are members of the general public who live in the vicinity of the
6 Oregon State Hospital located in Salem, Marion County; and

7 (f) Three nonvoting members who are members of a public employee bargaining unit and who
8 are employed by the Oregon State Hospital located in Salem, Marion County, as follows:

9 (A) One individual to represent board-certified physicians;

10 (B) One individual to represent board-certified nursing staff; and

11 (C) One individual to represent direct care services staff.

12 (2) Members appointed by the Governor shall serve four-year terms, but a member serves at the
13 pleasure of the Governor. Before the expiration of the term of a member appointed by the Governor,
14 the Governor shall appoint a successor whose term begins on July 1 next following. A member is
15 eligible for reappointment.

16 (3) Members of the board appointed by the President of the Senate and the Speaker of the House
17 of Representatives shall serve two-year terms.

18 (4) If there is a vacancy for any cause, the appointing [*authority*] shall make an appointment to
19 become immediately effective for the unexpired term.

20 (5) The Governor shall select one of the voting members of the Oregon State Hospital Advisory
21 Board as chairperson and another as vice chairperson, for such terms and with duties and powers
22 necessary for the performance of the functions of such offices as the Governor determines.

23 (6) A majority of the voting members of the board constitutes a quorum for the transaction of
24 business.

25 (7) The board shall meet at times and places specified by the call of the chairperson or of a
26 majority of the members of the board.

27 (8) The Oregon [*Health Authority*] **Department of Health** shall provide staff support to the
28 board.

29 (9) A voting member of the board may not individually or in a fiduciary capacity have a finan-
30 cial interest in the Oregon State Hospital located in Salem, Marion County.

31 **SECTION 126.** ORS 179.570 is amended to read:

32 179.570. The Oregon State Hospital Advisory Board established by ORS 179.560:

33 (1) Shall periodically conduct a comprehensive review of federal and state laws concerning, and
34 administrative rules, policies, procedures and protocols of the Oregon State Hospital related to, the
35 safety, security and care of patients;

36 (2) May make recommendations directly to the superintendent of the Oregon State Hospital, the
37 Director of the Oregon [*Health Authority*] **Department of Health**, the Legislative Assembly or in-
38 terim committees of the Legislative Assembly concerning:

39 (a) Federal and state laws concerning, and administrative rules, policies, procedures and proto-
40 cols of the hospital related to, the safety, security and care of patients;

41 (b) Performance measures related to the safety, security and care of patients;

42 (c) Goals for improvement in the safety, security and care of patients of the hospital and im-
43 provements that are under way; and

44 (d) Potential legislative proposals or budget packages related to the hospital; and

45 (3) Shall report annually to an appropriate committee of the Legislative Assembly regarding the

1 activities of the board.

2 **SECTION 127.** ORS 179.620 is amended to read:

3 179.620. (1) A person and the personal estate of the person, or a decedent's estate, is liable for
4 the full cost of care. Full cost of care is established according to ORS 179.701.

5 (2) While the person is liable for the full cost of care, the maximum amount a person is required
6 to pay toward the full cost of care shall be determined according to the person's ability to pay.
7 Ability to pay is determined as provided in ORS 179.640.

8 (3) Upon the death of a person, the decedent's estate shall be liable for any unpaid cost of care.
9 The liability of the decedent's estate is limited to the cost of care incurred on or after July 24, 1979.
10 The decedent's estate shall not include assets placed in trust for the person by other persons. Col-
11 lection of any amount from a decedent's estate shall be pursuant to ORS 179.740.

12 (4) Regardless of subsection (1) of this section and ORS 179.610 (5), assets held in trust by a
13 trustee for a person are subject to laws generally applicable to trusts.

14 (5) Notwithstanding subsections (1) and (3) of this section, the Department of Corrections, the
15 Department of Human Services and the Oregon [*Health Authority*] **Department of Health** may not
16 collect the cost of care from:

17 (a) Any assets received by or owing to a person and the personal estate of the person, or the
18 decedent's estate, as compensation from the state for injury, death or, if the collection is being made
19 by the Department of Corrections, the false imprisonment of the person that occurred when the
20 person was in a state institution listed in ORS 179.321 or in the Eastern Oregon Training Center
21 and for which the state admits liability or is found liable through adjudication; and

22 (b) Any real or personal property of the personal estate of the person, or the decedent's estate,
23 that the person or an authorized representative of the person can demonstrate was purchased solely
24 with assets referred to in paragraph (a) of this subsection or partially with such assets, to the extent
25 such assets were used in the purchase.

26 **SECTION 128.** ORS 179.640 is amended to read:

27 179.640. (1)(a) The Department of Corrections and the Oregon [*Health Authority*] **Department**
28 **of Health** shall establish rules for determining ability to pay for persons in their respective insti-
29 tutions. The rules adopted by each agency shall require, in addition to other relevant factors, con-
30 sideration of the personal estate, the person's need for funds for personal support after release, and
31 the availability of third-party benefits such as, but not limited to, Medicare or private insurance.
32 Each agency may also consider the probable length of stay at the state institution. Nothing in this
33 section requires the Department of Corrections to investigate a person's ability to pay or to issue
34 an ability-to-pay order.

35 (b) When adopting rules under paragraph (a) of this subsection, the Department of Corrections
36 shall consider the person's needs for funds to pay for the support of the person's children and to pay
37 any monetary obligations imposed on the person as a result of the person's conviction.

38 (2) In determining a person's ability to pay, none of the agencies may consider as part of the
39 personal estate of the person or the decedent's estate:

40 (a) Any assets received by or owing to the person and the personal estate of the person, or the
41 decedent's estate, as compensation from the state for injury, death or, if the collection is being made
42 by the Department of Corrections, the false imprisonment of the person that occurred when the
43 person was in a state institution listed in ORS 179.321 and for which the state admits liability or is
44 found liable through adjudication; and

45 (b) Any real or personal property that the person or an authorized representative of the person

1 can demonstrate was purchased solely with assets referred to in paragraph (a) of this subsection or
2 partially with such assets, to the extent such assets were used in the purchase.

3 (3) A person and the authorized representative of the person, if any, shall provide all financial
4 information requested by the agency that is necessary to determine the person's ability to pay. To
5 determine ability to pay, the agency may use any information available to the agency, including in-
6 formation provided by the Department of Revenue from personal income tax returns pursuant to
7 ORS 314.840. Upon request, the Department of Revenue shall release copies of tax returns to the
8 agency. When the person or the person's authorized representative fails to provide evidence to
9 demonstrate an inability to pay full cost of care, the agency may determine the person has the
10 ability to pay the full cost of care.

11 (4) The agency shall provide actual notice to the person and any authorized representative, if
12 known to the agency, of its determination by issuing an ability-to-pay order. The order shall state
13 the person's full liability and the person's determined ability to pay. Actual notice means receipt by
14 the person and the authorized representative of notice. The notice shall include a copy of the
15 ability-to-pay order, a description of the person's appeal rights and the date upon which appeal
16 rights terminate and state the address where a request for hearing may be mailed or delivered. At
17 any time, the agency may reissue an ability-to-pay order to notify an authorized representative as
18 provided by ORS 179.653 (4).

19 (5) At any time during the person's stay at the state institution or within 36 months from the
20 date the person is released, if the agency receives new financial information that shows a change
21 in the person's financial circumstances, the agency shall consider the changed circumstances and
22 issue a new ability-to-pay order.

23 (6) Orders issued after the person is released may not require the person to make payments to-
24 ward the cost of care for more than 36 consecutive months following release. However, the agency
25 may collect beyond the 36-month period any payments that became due but were not paid within the
26 36 months following release. Any remaining balance of full cost of care shall be collected as pro-
27 vided in ORS 179.740.

28 (7) Notwithstanding ORS 183.315 (5), if a person or authorized representative disagrees with any
29 ability-to-pay order issued pursuant to this section, the person or authorized representative may re-
30 quest a contested case hearing. To the extent practical, the hearing will be held at a location con-
31 venient to the person or the authorized representative. The request must be postmarked within 60
32 days from the date of the mailing of the ability-to-pay order. If the person or the authorized repre-
33 sentative makes a timely request for a contested case hearing, the hearing and any appeal of the
34 final hearing order shall be governed by ORS 183.413 to 183.497. If the person or the authorized
35 representative fails to make a timely request for a contested case hearing, the ability-to-pay order
36 shall be final and not subject to judicial review, except as subsequently modified by the agency as
37 provided in subsection (5) of this section.

38 (8) On appeal, regardless of other information presented, payment of the full cost of care may
39 be ordered if the person or the authorized representative refuses to produce financial information
40 that the Hearings Officer or administrative law judge determines is relevant and must be produced.

41 **SECTION 129.** ORS 179.653 is amended to read:

42 179.653. (1) If any person or authorized representative refuses to pay for the cost of care as or-
43 dered by the Department of Corrections or the Oregon [*Health Authority*] **Department of Health**
44 under ORS 179.640, the amount unpaid plus interest shall be a lien in favor of the State of Oregon.
45 The lien shall arise as each payment is due under the order and shall continue until the liability

1 with interest is satisfied. The lien shall be upon the title to and interest in the real and personal
2 property of the personal estate.

3 (2) Prior to the filing of a distraint warrant as provided in ORS 179.655 (2), the lien shall only
4 be valid against:

5 (a) Property of the person;

6 (b) Assets held by any authorized representative bound by the ability-to-pay order; and

7 (c) Assets subject to lien held by any person or entity having actual knowledge of the ability-
8 to-pay order or the lien.

9 (3) Regardless of any other provision of law or statute that provides a procedure for establishing
10 obligations, including the claim and payment provisions of ORS chapter 125, an authorized repre-
11 sentative who has received notice and had an opportunity to request a contested case hearing shall
12 comply with an ability-to-pay order upon demand by the agency. The agency may issue the demand
13 any time after the order becomes final.

14 (4) An authorized representative who has not had an opportunity to request a contested case
15 hearing, either because the authorized representative was not appointed at the time the ability-to-
16 pay order became final, or was not given notice of the ability-to-pay order as required by ORS
17 179.640 (4), shall not be bound by the order of the agency. To bind the authorized representative,
18 the ability-to-pay order must be reissued and notice provided to the authorized representative pur-
19 suant to ORS 179.640 (4). The authorized representative shall have the same appeal rights as if the
20 order had originally been issued to the authorized representative. After the order becomes final, the
21 authorized representative shall be bound as provided in subsection (3) of this section. The agency
22 may not issue an execution of a lien or foreclose against property held by or in the control of the
23 authorized representative until the authorized representative is bound by the order of the agency.

24 (5) An authorized representative who is a trustee shall only be bound to the extent that the final
25 order specifically finds that the trust assets of a trust fund are subject to claim by the agency.

26 (6) If the authorized representative does not comply with the demand, the agency may file with
27 the probate court a motion to require the authorized representative to comply. If the authorized
28 representative is a conservator or guardian appointed under ORS chapter 125, the motion shall be
29 filed in that proceeding. The motion shall be accompanied by an affidavit stating that the order is
30 final, that demand has been made on the authorized representative and that the order has not been
31 complied with.

32 (7) The authorized representative may object to the motion only on grounds that the order is
33 not final, that the order is not binding on the authorized representative as provided in this section
34 or that all required payments have been made. The objection must be by affidavit.

35 (8) If the authorized representative objects by affidavit, the court shall hear the motion. If the
36 court determines that the ability-to-pay order is final and binding on the authorized representative
37 and that all required payments have not been made, the court shall order the authorized represen-
38 tative to comply with the ability-to-pay order.

39 (9) If the authorized representative fails to object by affidavit within 15 days of the filing of the
40 motion, the court shall order the authorized representative to comply with the order. An authorized
41 representative who willfully fails or refuses to comply may be found in contempt of court and may
42 be held personally responsible.

43 (10) Nothing in this section shall affect the requirement that the agency issue a new order in
44 accordance with ORS 179.640 (5) if financial circumstances have changed.

45 **SECTION 130.** ORS 179.655 is amended to read:

1 179.655. (1) If any amount due the Department of Corrections or the Oregon [*Health Authority*]
2 **Department of Health** for the cost of care of a person is not paid within 30 days after it becomes
3 due, and no provision is made to secure the payment by bond, deposit or otherwise, pursuant to rules
4 adopted by the appropriate agency, the agency may issue a distraint warrant directed to any county
5 of the state.

6 (2) After the receipt of the distraint warrant, the clerk of the county shall enter in the County
7 Clerk Lien Record the name of the person, the amount for which the distraint warrant is issued and
8 the date the distraint warrant is recorded. The amount of the distraint warrant shall become a lien
9 upon the title to and interest in any property owned or later acquired by the debtor against whom
10 it is issued, and it may be enforced by the agency in the same manner as a judgment of the circuit
11 court.

12 (3) In the event that an ability-to-pay order issued under ORS 179.640 (4) or (5) becomes final,
13 and supersedes a previous final ability-to-pay order on which a distraint warrant had been issued,
14 the agency shall issue a new distraint warrant superseding the previous distraint warrant, and the
15 lien shall conform to the new order.

16 (4) The agency may direct a copy of the distraint warrant to the sheriff of any county of the
17 state commanding the sheriff to levy upon and sell the real and personal property of the taxpayer
18 found within that county, for the payment of the amount due, with interest, collection charge and
19 the sheriff's fee. The sheriff shall return the distraint warrant to the agency and pay to it the money
20 collected not less than 60 days from the date the copy of the distraint warrant was directed to the
21 sheriff.

22 (5) The agency may issue the directive provided in subsection (4) of this section to any agent
23 of the agency. In executing the distraint warrant, the agent shall have the same powers conferred
24 by law upon sheriffs. However, the agent is not entitled to any fee or compensation in excess of
25 actual expenses incurred in the performance of this duty.

26 **SECTION 131.** ORS 179.660 is amended to read:

27 179.660. If the Department of Corrections or the Oregon [*Health Authority*] **Department of**
28 **Health** believes a person at one of its state institutions needs a guardian or conservator, or both,
29 and one has not been appointed, the agency may request that the district attorney institute proper
30 proceedings for this appointment in the court having probate jurisdiction. The county of which the
31 person is a resident, or was a resident at the time of admittance, shall be the basis for determining
32 the appropriate district attorney to be contacted.

33 **SECTION 132.** ORS 179.701 is amended to read:

34 179.701. (1)(a) The cost-of-care rates for a person who is or was in a state institution described
35 in ORS 179.321 shall be determined by the Department of Corrections or the Oregon [*Health Au-*
36 *thority*] **Department of Health**, as appropriate. The rates established shall be reasonably related
37 to current costs of the institutions as described in ORS 179.321.

38 (b) Current costs for a person who is or was in a Department of Corrections institution shall
39 exclude costs of outpatient services as defined in ORS 430.010 and any other costs not directly re-
40 lated to the care for a person at a state institution.

41 (c) Current costs for a person who is or was in the Oregon State Hospital shall include costs
42 of outpatient services as defined in ORS 430.010 and exclude any other costs not directly related to
43 the care for a person at a state institution.

44 (2) The cost-of-care rates for a person who was a resident of the Eastern Oregon Training Cen-
45 ter shall be determined by the Department of Human Services. The rates established shall be rea-

1 sonably related to the costs to operate, control, manage and supervise the state training center at
2 the time of the person's residency. The department must exclude costs of outpatient services as de-
3 fined in ORS 430.010 and any other costs not directly related to the care of the person at the state
4 training center.

5 **SECTION 133.** ORS 179.711 is amended to read:

6 179.711. (1) Remittance of amounts due for care of persons at state institutions as provided in
7 ORS 179.610 to 179.770 shall be made to the Department of Corrections or the Oregon [*Health Au-*
8 *thority*] **Department of Health**, as appropriate.

9 (2) The agency shall refund any unearned payment for the care of a person at a state institution
10 where payment has been made in advance and the person dies or is discharged before the end of the
11 period for which payment was made. Any refund shall be paid to the person, to the authorized rep-
12 resentative of the person or to the decedent's estate if the person has died. All claims for refunds
13 approved by the agency shall be paid as provided in ORS 293.295 to 293.462. Any amounts necessary
14 for payment of refunds are appropriated from the money collected by that agency under the pro-
15 visions of ORS 179.610 to 179.770.

16 **SECTION 134.** ORS 179.731 is amended to read:

17 179.731. If the Department of Corrections or the Oregon [*Health Authority*] **Department of**
18 **Health** determines that collection of the amount payable under ORS 179.610 to 179.770 for the cost
19 of care of a person would be detrimental to the best interests of the person or the agency, the
20 agency may waive the collection of part or all of the amount otherwise payable.

21 **SECTION 135.** ORS 179.740 is amended to read:

22 179.740. (1) The Department of Corrections, the Department of Human Services or the Oregon
23 [*Health Authority*] **Department of Health**, as appropriate, may file a claim against the decedent's
24 estate for any unpaid charges under ORS 179.620 (3). This shall be done in the same manner as
25 claims of creditors and with the priorities provided in ORS 115.125.

26 (2) If, within 90 days following the person's death, the person's estate is not otherwise being
27 probated, the agency may petition any court of competent jurisdiction for the issuance of letters of
28 administration or testamentary. This action would be for the purpose of collecting the full amount
29 of unpaid cost of care as determined by ORS 179.701 and limited by ORS 179.620 (3). However, the
30 agency may not file a petition under this subsection until at least 90 days after the death of the
31 person who was at the state institution and then only in the event that the person's estate is not
32 otherwise being probated.

33 (3) The agency may settle any claim against the decedent's estate during the pendency of the
34 probate proceeding by accepting other security or in any other equitable manner. The agency may
35 waive all or part of the claim if it finds collection of this amount due to be inequitable.

36 (4) The agency may not recover amounts that exceed the total cost of care of the deceased
37 person as computed under ORS 179.701 and limited by ORS 179.620 (3).

38 **SECTION 136.** ORS 179.745 is amended to read:

39 179.745. The State of Oregon, by and through the Department of Corrections, the Department
40 of Human Services or the Oregon [*Health Authority*] **Department of Health**, may take title to real
41 and personal property to carry out the provisions of ORS 179.620, 179.653, 179.655 and 179.740. With
42 the written consent of the owner of real property or an authorized representative of the owner, the
43 agency may transfer real property under the provisions of ORS 270.100 to 270.190. The agency may
44 transfer personal property under rules adopted by the agency. The proceeds, less costs, of any real
45 or personal property transferred by the agency under this section shall be credited to and deposited

1 in the Department of Corrections Account, the Department of Human Services Account or the
 2 Oregon [*Health Authority*] **Department of Health** Fund, as appropriate.

3 **SECTION 137.** ORS 179.770 is amended to read:

4 179.770. (1) In accordance with any applicable provisions of ORS chapter 183, the Department
 5 of Corrections, the Department of Human Services and the Oregon [*Health Authority*] **Department**
 6 **of Health** may adopt any rules necessary to carry out ORS 179.610 to 179.770.

7 (2) Subject to any applicable provision of the State Personnel Relations Law, the agency may
 8 employ employees necessary to carry out ORS 179.610 to 179.770.

9 **SECTION 138.** ORS 181A.195 is amended to read:

10 181A.195. (1) As used in this section:

11 (a) “Authorized agency” means state government as defined in ORS 174.111, the Oregon State
 12 Bar or a municipal tax collection agency in a city with a population of 250,000 or more. “Authorized
 13 agency” does not include:

14 (A) The Oregon State Lottery Commission or the Oregon State Lottery; or

15 (B) A criminal justice agency, as defined in ORS 181A.010, that is authorized by federal law to
 16 receive fingerprint-based criminal records checks from the Federal Bureau of Investigation.

17 (b) “Subject individual” means a person from whom an authorized agency may require finger-
 18 prints pursuant to statute for the purpose of enabling the authorized agency to request a state or
 19 nationwide criminal records check.

20 (2)(a) An authorized agency may request that the Department of State Police conduct a criminal
 21 records check on a subject individual for noncriminal justice purposes.

22 (b) An authorized agency may request that the department conduct a criminal records check on
 23 a subject individual who is a contractor or vendor and who provides services to the authorized
 24 agency when access to criminal offender information is required to perform noncriminal justice ad-
 25 ministrative functions on behalf of the authorized agency. Criminal records checks performed under
 26 this paragraph are subject to state and federal criminal offender information access policies. An
 27 authorized agency shall conduct fitness determinations for contractors and vendors in coordination
 28 with the department.

29 (c) If a nationwide criminal records check of a subject individual is necessary, the authorized
 30 agency may request that the department conduct the check, including fingerprint identification,
 31 through the Federal Bureau of Investigation.

32 (3) The Department of State Police shall provide the results of a criminal records check con-
 33 ducted pursuant to subsection (2) of this section to the authorized agency requesting the check.

34 (4) The Federal Bureau of Investigation shall return or destroy the fingerprint cards used to
 35 conduct the criminal records check and may not keep any record of the fingerprints, except that the
 36 Federal Bureau of Investigation may retain the fingerprint cards and records of the fingerprints for
 37 purposes described in ORS 181A.205. If the federal bureau policy authorizing return or destruction
 38 of the fingerprint cards is changed, the Department of State Police shall cease to send the cards to
 39 the federal bureau but shall continue to process the information through other available resources.

40 (5) If the Federal Bureau of Investigation returns the fingerprint cards to the Department of
 41 State Police, the Department of State Police shall destroy the fingerprint cards and may not retain
 42 facsimiles or other material from which a fingerprint can be reproduced, except that the Department
 43 of State Police may retain the fingerprint cards or create facsimiles for the purpose of providing
 44 information under ORS 181A.205 and for purposes of data security under subsection (12) of this
 45 section.

1 (6) If only a state criminal records check is conducted, after the criminal records check is
 2 completed, the Department of State Police shall destroy the fingerprint cards and the results of the
 3 criminal records check provided to the authorized agency and may not retain facsimiles or other
 4 material from which a fingerprint can be reproduced, except that the Department of State Police
 5 may retain the fingerprint cards and results or create facsimiles for the purpose of providing infor-
 6 mation under ORS 181A.205.

7 (7) An authorized agency may conduct criminal records checks on subject individuals through
 8 the Law Enforcement Data System maintained by the Department of State Police in accordance with
 9 rules adopted, and procedures established, by the Department of State Police.

10 (8) An authorized agency and the Department of State Police shall permit a subject individual
 11 for whom a fingerprint-based criminal records check was conducted to inspect the individual's own
 12 state and national criminal offender records and, if requested by the subject individual, provide the
 13 individual with a copy of the individual's own state and national criminal offender records.

14 (9) Each authorized agency, in consultation with the Department of State Police, may adopt
 15 rules to implement this section and other statutes relating to criminal offender information obtained
 16 through fingerprint-based criminal records checks. The rules may include but need not be limited to:

17 (a) Identifying applicable categories of subject individuals as specified by the Oregon Depart-
 18 ment of Administrative Services under ORS 181A.215 who are subject to criminal records checks
 19 by the authorized agency.

20 (b) Identifying applicable information that may be required from a subject individual to permit
 21 a criminal records check as specified by the Oregon Department of Administrative Services under
 22 ORS 181A.215.

23 (c) Specifying which programs or services are subject to this section.

24 (d) If the authorized agency uses criminal records checks for agency employment purposes:

25 (A) Determining when and under what conditions a subject individual may be hired on a pre-
 26 liminary basis pending a criminal records check; and

27 (B) Defining the conditions under which a subject individual may participate in training, orien-
 28 tation and work activities pending completion of a criminal records check.

29 (e) Establishing fees in an amount not to exceed the actual cost of acquiring and furnishing
 30 criminal offender information.

31 (10)(a) Except as otherwise provided in ORS 181A.400, 181A.875, 342.143, 342.223, 443.735,
 32 475C.770 to 475C.919 and 703.090 and paragraph (d) of this subsection, an authorized agency, using
 33 the rules adopted by the Oregon Department of Administrative Services under ORS 181A.215, shall
 34 determine whether a subject individual is fit to hold a position, provide services, be employed or be
 35 granted a license, certification, registration or permit. If a subject individual is determined to be
 36 unfit, then the individual may not hold the position, provide services, be employed or be granted a
 37 license, certification, registration or permit.

38 (b)(A) Subject to subparagraph (B) of this paragraph, an authorized agency making a fitness
 39 determination of an individual under this subsection may request results of a previously made fitness
 40 determination from an authorized agency that has already made a fitness determination for the in-
 41 dividual. An authorized agency that receives a request under this paragraph shall provide the re-
 42 quested information.

43 (B) An authorized agency may make a request under this paragraph only for individuals:

44 (i) Who are applying to hold a position, provide services, be employed or be granted a license,
 45 certification, registration or permit;

1 (ii) Who are in a category of individuals as specified by the Oregon Department of Administra-
 2 tive Services by rule under ORS 181A.215; and

3 (iii) For whom a fitness determination has already been made.

4 (c) Except as otherwise provided in ORS 181A.400, in making the fitness determination under
 5 this subsection, the authorized agency shall consider:

6 (A) The nature of the crime;

7 (B) The facts that support the conviction or pending indictment or that indicate the making of
 8 a false statement;

9 (C) The relevancy, if any, of the crime or the false statement to the specific requirements of the
 10 subject individual's present or proposed position, services, employment, license, certification or reg-
 11 istration; and

12 (D) Intervening circumstances relevant to the responsibilities and circumstances of the position,
 13 services, employment, license, certification, registration or permit, such as:

14 (i) The passage of time since the commission of the crime;

15 (ii) The age of the subject individual at the time of the crime;

16 (iii) The likelihood of a repetition of offenses or of the commission of another crime;

17 (iv) The subsequent commission of another relevant crime;

18 (v) Whether the conviction was set aside and the legal effect of setting aside the conviction; and

19 (vi) The recommendation of an employer.

20 (d) A subject individual is not entitled to a fitness determination under this subsection if the
 21 subject individual:

22 (A) Is or seeks to be employed in any capacity having contact with a recipient of support ser-
 23 vices or a resident of a residential facility or adult foster home, as provided in ORS 443.004 (3), and
 24 has been convicted of any crime listed in ORS 443.004 (3) or (5).

25 (B) Is prohibited by federal law from holding a position, providing services, being employed or
 26 being granted a license, certification, registration or permit for which the fitness determination is
 27 requested by an authorized agency.

28 (11)(a) In conducting a fitness determination regarding a subject individual other than an indi-
 29 vidual described in paragraph (b) of this subsection, the Department of Human Services or the
 30 Oregon [*Health Authority*] **Department of Health** may not consider:

31 (A) A conviction that is more than 10 years old unless the conviction is for a crime listed in
 32 ORS 443.004 (3) or (5);

33 (B) A charge or arrest for which there was no conviction unless the charge or arrest is for a
 34 crime listed in ORS 443.004 (3) or (5);

35 (C) A conviction on a charge relating to marijuana if the charge is no longer a criminal offense;

36 (D) A conviction under ORS 813.010 or 830.325, or a misdemeanor conviction under a law in
 37 another jurisdiction that imposes criminal penalties for operating a vehicle or boat while under the
 38 influence of intoxicants, if the subject individual had no more than one conviction described in this
 39 subparagraph in the five-year period prior to the date of the criminal records check;

40 (E) A deferred sentence, conditional discharge or participation in a diversion program for any
 41 crime unless the crime is listed in ORS 443.004 (3) and (5); and

42 (F) A pending indictment for a crime unless the crime is listed in ORS 443.004 (3) or (5).

43 (b) The Department of **Human Services** or the [*authority*] **Oregon Department of Health** may
 44 consider a charge, arrest, conviction, deferred sentence, conditional discharge, participation in a
 45 diversion program or pending indictment that may not be considered under paragraph (a) of this

1 subsection in making a fitness determination for a subject individual who is:

2 (A) Described in ORS 418.016;

3 (B) An employee, volunteer, contractor or provider in, or an agent of, a proctor foster home as
4 defined in ORS 418.205 or a child-caring agency as defined in ORS 418.205;

5 (C) An exempt family child care provider, as defined in ORS 329A.430, the provider's household
6 members who are 16 years of age or older or a frequent visitor of a provider who is subject to a
7 criminal records check;

8 (D) An employee or volunteer in a facility that:

9 (i) Provides care to children and is operated by a school district, as defined in ORS 332.002, a
10 political subdivision of this state, a preschool recorded program, as defined in ORS 329A.250, or a
11 government agency; and

12 (ii) Is not required to be certified under ORS 329A.280; or

13 (E) An emergency medical services provider, as defined in ORS 682.025, for the purpose of de-
14 termining the fitness of the emergency medical services provider to receive or hold a license under
15 ORS 670.280.

16 (12)(a) Criminal offender information is confidential. Authorized agencies and the Department
17 of State Police shall adopt rules to restrict dissemination of information received under this section
18 to persons with a demonstrated and legitimate need to know the information.

19 (b) For each employee, contractor or vendor of an authorized agency who is required to have
20 access to or review criminal offender information for noncriminal justice purposes, the authorized
21 agency shall:

22 (A) Conduct a state and nationwide fingerprint-based criminal records check;

23 (B) Ensure that the employee, contractor or vendor meets the security background check re-
24 quirements of the Federal Bureau of Investigation Criminal Justice Information Services Security
25 Policy for having unescorted access to criminal offender information; and

26 (C) Pay fees as required under subsection (9) of this section.

27 (13) If a subject individual refuses to consent to the criminal records check or refuses to be
28 fingerprinted, the authorized agency shall deny the employment of the individual, or revoke or deny
29 any applicable position, authority to provide services, license, certification, registration or permit.

30 (14) If an authorized agency requires a criminal records check of employees, prospective em-
31 ployees, contractors, vendors or volunteers or applicants for a license, certification, registration or
32 permit, the application forms of the authorized agency must contain a notice that the person is
33 subject to fingerprinting and a criminal records check.

34 **SECTION 139.** ORS 181A.200 is amended to read:

35 181A.200. (1) As used in this section:

36 (a) "Care" means the provision of care, treatment, education, training, instruction, supervision,
37 placement services, recreation or support to children, the elderly or persons with disabilities.

38 (b) "Native American tribe" has the meaning given that term in ORS 181A.210 (4).

39 (c) "Qualified entity" means a community mental health program, a community developmental
40 disabilities program, a local health department, the government of a Native American tribe or an
41 agency of a Native American tribe responsible for child welfare or an individual or business or or-
42 ganization, whether public, private, for-profit, nonprofit or voluntary, that provides care, including
43 a business or organization that licenses, certifies or registers others to provide care.

44 (2) For the purpose of requesting a state or nationwide criminal records check under ORS
45 181A.195, the Department of Human Services, the Oregon *[Health Authority]* **Department of Health**

1 and the Employment Department may require the fingerprints of a person:

2 (a) Who is employed by or is applying for employment with [*either department or the authority*]

3 **the departments;**

4 (b) Who provides or seeks to provide services to [*either department or the authority*] **the de-**
5 **partments** as a contractor, subcontractor, vendor or volunteer who:

6 (A) May have contact with recipients of care;

7 (B) Has access to personal information about employees of [*either department or the authority*]
8 **the departments**, recipients of care from [*either department or the authority*] **the departments** or
9 members of the public, including Social Security numbers, dates of birth, driver license numbers,
10 medical information, personal financial information or criminal background information;

11 (C) Has access to information the disclosure of which is prohibited by state or federal laws,
12 rules or regulations, or information that is defined as confidential under state or federal laws, rules
13 or regulations;

14 (D) Has access to property held in trust or to private property in the temporary custody of the
15 state;

16 (E) Has payroll or fiscal functions or responsibility for:

17 (i) Receiving, receipting or depositing money or negotiable instruments;

18 (ii) Billing, collections, setting up financial accounts or other financial transactions; or

19 (iii) Purchasing or selling property;

20 (F) Provides security, design or construction services for government buildings, grounds or fa-
21 cilities;

22 (G) Has access to critical infrastructure or secure facilities information; or

23 (H) Is providing information technology services and has control over or access to information
24 technology systems;

25 (c) For the purposes of licensing, certifying, registering or otherwise regulating or administering
26 programs, persons or qualified entities that provide care;

27 (d) For the purposes of employment decisions by or for qualified entities that are regulated or
28 otherwise subject to oversight by the Department of Human Services or the Oregon [*Health Au-*
29 *thority*] **Department of Health** and that provide care;

30 (e) For the purposes of employment decisions made by a mass transit district or transportation
31 district for qualified entities that, under contracts with the district or the Oregon [*Health*
32 *Authority*] **Department of Health**, employ persons to operate motor vehicles for the transportation
33 of medical assistance program clients; or

34 (f) For the purposes of licensure, certification or registration of foster homes by the government
35 of a Native American tribe or an agency of a Native American tribe responsible for child welfare.

36 (3) The Department of Human Services and the Oregon [*Health Authority*] **Department of**
37 **Health** may conduct criminal records checks on a person through the Law Enforcement Data Sys-
38 tem maintained by the Department of State Police, if deemed necessary by the Department of Human
39 Services or the Oregon [*Health Authority*] **Department of Health** to protect children, elderly per-
40 sons, persons with disabilities or other vulnerable persons.

41 (4) The Department of Human Services and the Oregon [*Health Authority*] **Department of**
42 **Health** may furnish to qualified entities, in accordance with the rules of the Department of Human
43 Services or the Oregon [*Health Authority*] **Department of Health** and the rules of the Department
44 of State Police, information received from the Law Enforcement Data System. However, any criminal
45 offender records and information furnished to the Department of Human Services or the Oregon

1 *[Health Authority]* **Department of Health** by the Federal Bureau of Investigation through the De-
2 partment of State Police may not be disseminated to qualified entities.

3 (5)(a) Except as otherwise provided in ORS 443.735 and 475C.770 to 475C.919, a qualified entity,
4 subject to rules adopted by the Oregon Department of Administrative Services under ORS 181A.215,
5 shall determine under this section whether a person is fit to hold a position, provide services, be
6 employed or, if the qualified entity has authority to make such a determination, be licensed, certified
7 or registered. If a person is determined to be unfit, then that person may not hold the position,
8 provide services or be employed, licensed, certified or registered.

9 (b) A person prohibited from receiving public funds for employment under ORS 443.004 (3) is not
10 entitled to a determination of fitness under this subsection.

11 (c) In making the fitness determination under this subsection, the qualified entity shall consider:

12 (A) The nature of the crime;

13 (B) The facts that support the conviction or pending indictment or indicate the making of a false
14 statement;

15 (C) The relevancy, if any, of the crime or the false statement to the specific requirements of the
16 person's present or proposed position, services, employment, license, certification or registration;
17 and

18 (D) Intervening circumstances relevant to the responsibilities and circumstances of the position,
19 services, employment, license, certification or registration, such as:

20 (i) The passage of time since the commission of the crime;

21 (ii) The age of the person at the time of the crime;

22 (iii) The likelihood of a repetition of offenses;

23 (iv) The subsequent commission of another relevant crime; and

24 (v) The recommendation of an employer.

25 (6) The Department of Human Services and the Oregon *[Health Authority]* **Department of**
26 **Health**, subject to rules adopted by the Oregon Department of Administrative Services under ORS
27 181A.215, shall develop systems that maintain information regarding criminal records checks in or-
28 der to minimize the administrative burden imposed by this section and ORS 181A.195. Records
29 maintained under this subsection are confidential and may not be disseminated except for the pur-
30 poses of this section and in accordance with the rules of the Department of Human Services, the
31 Oregon *[Health Authority]* **Department of Health** and the Department of State Police. Nothing in
32 this subsection permits the Department of Human Services to retain fingerprint cards obtained
33 pursuant to this section.

34 (7) In addition to the rules required by ORS 181A.195, the Department of Human Services and
35 the Oregon *[Health Authority]* **Department of Health**, in consultation with the Department of State
36 Police, shall adopt rules:

37 (a) Specifying which qualified entities are subject to this section;

38 (b) Specifying which qualified entities may request criminal offender information;

39 (c) Specifying which qualified entities are responsible for deciding, subject to rules adopted by
40 the Oregon Department of Administrative Services under ORS 181A.215, whether a subject individ-
41 ual is not fit for a position, service, license, certification, registration or employment; and

42 (d) Specifying when a qualified entity, in lieu of conducting a completely new criminal records
43 check, may proceed to make a fitness determination under subsection (5) of this section using the
44 information maintained by the Department of Human Services and the Oregon *[Health Authority]*
45 **Department of Health** pursuant to subsection (6) of this section.

1 (8) If a person refuses to consent to the criminal records check or refuses to be fingerprinted,
2 the qualified entity shall deny or terminate the employment of the person, or revoke or deny any
3 applicable position, authority to provide services, employment, license, certification or registration.

4 (9) If the qualified entity requires a criminal records check of employees or other persons, the
5 application forms of the qualified entity must contain a notice that employment is subject to fin-
6 gerprinting and a criminal records check.

7 **SECTION 140.** ORS 181A.285 is amended to read:

8 181A.285. (1)(a) The Department of State Police shall create and maintain a medical health da-
9 tabase within the Law Enforcement Data System in order to provide law enforcement agencies with
10 information to help the agencies assist persons with a qualifying illness or condition in obtaining
11 medical, mental health and social services.

12 (b) The department shall provide each community mental health program director and each
13 community developmental disabilities program director with the ability to input and remove data
14 from the medical health database.

15 (c) The medical health database may not be accessible to any person who is not employed by a
16 community mental health program, community developmental disabilities program or a law enforce-
17 ment agency as defined in ORS 181A.010.

18 (2) Not later than seven days after receiving a completed enrollment form described in sub-
19 section (6)(a) of this section, a director shall enter an individual's information into the medical
20 health database if the director:

21 (a) Has verified that the individual has a qualifying illness or condition; and

22 (b) Has obtained the express written consent of:

23 (A) The individual;

24 (B) A person authorized to make medical decisions for the individual, if the individual is subject
25 to a guardianship, advanced directive for health care, declaration for mental health treatment or
26 power of attorney that authorizes the person to make medical decisions for the individual; or

27 (C) A parent of the individual, if the individual is under 14 years of age.

28 (3) To be valid, the express written consent described in subsection (2)(b) of this section must
29 be witnessed by at least two adults as follows:

30 (a) Each witness shall witness either the signing of the instrument by the individual or the
31 person described in subsection (2)(b)(B) or (C) of this section, or the individual's or person's ac-
32 knowledgment of the signature of the individual or person.

33 (b) At least one witness shall be a person who is not:

34 (A) A relative of the individual by blood, marriage or adoption; or

35 (B) An owner, operator or employee of a health care facility in which the individual is a patient
36 or resident.

37 (c) The individual's primary care physician or mental health service provider, or any relative
38 of the physician or provider, may not be a witness.

39 (4) A director shall destroy the completed enrollment form and remove an individual's informa-
40 tion from the medical health database:

41 (a) If the director receives a completed revocation of consent form described in subsection (6)(b)
42 of this section, signed by the individual or a person described in subsection (2)(b)(B) or (C) of this
43 section;

44 (b) If the individual or a person described in subsection (2)(b)(B) of this section provides the di-
45 rector with a court order or other document demonstrating that the person no longer has the au-

1 thority to make medical decisions for the individual;

2 (c) When an individual for whom consent was obtained under subsection (2)(b)(C) of this section
3 becomes 14 years of age; or

4 (d) Three years from the date on which the individual's information was entered into the data-
5 base.

6 (5) Not less than 90 days prior to removing an individual from the medical health database under
7 subsection (4)(c) or (d) of this section, a director shall provide notice of the impending removal to
8 the individual and the person described in subsection (2)(b)(B) or (C) of this section.

9 (6) The Oregon [*Health Authority*] **Department of Health** shall develop:

10 (a) An enrollment form that allows for the collection of information to be entered into the
11 medical health database, and that clearly states that consent by the individual or a person described
12 in subsection (2)(b)(B) or (C) of this section is voluntary, revocable and is not a precondition for
13 receiving medical care or mental health treatment or for discharge from a facility or program.

14 (b) A revocation of consent form that allows an individual or a person described in subsection
15 (2)(b)(B) or (C) of this section to revoke the consent to include the individual's information in the
16 medical health database.

17 (7) The medical health database must contain the following information:

18 (a) The individual's name, date of birth, last known address and physical description;

19 (b) Any pertinent information related to the individual's illness or condition, including related
20 symptoms, that may assist law enforcement agencies in carrying out the purposes of this section;

21 (c) The date on which the information was first entered into the medical health database and
22 the date of any subsequent updates; and

23 (d) Contact information for at least two of the following persons:

24 (A) The individual's primary care physician;

25 (B) The individual's case manager in the community mental health program or the community
26 developmental disabilities program;

27 (C) A probation officer;

28 (D) A family member; or

29 (E) Any other person willing to serve as an emergency contact person for the individual.

30 (8) Each director shall provide the local public safety coordinating council described in ORS
31 423.560 with an annual report on the use of the medical health database. The report may not include
32 personally identifiable information that is contained in the medical health database.

33 (9) As used in this section:

34 (a) "Community mental health program director" and "community developmental disabilities
35 program director" include a designee of the director.

36 (b) "Dementia" means the progressive deterioration of intellectual functioning and other cogni-
37 tive skills, including but not limited to aphasia, apraxia, memory, agnosia and executive functioning,
38 that leads to a significant impairment in social or occupational function and that represents a sig-
39 nificant decline from a previous level of functioning.

40 (c) "Developmental disability" has the meaning given that term in ORS 40.460 (18a)(d).

41 (d) "Qualifying illness or condition" means:

42 (A) Dementia;

43 (B) A developmental disability;

44 (C) An Axis I diagnosis that is described in the Diagnostic and Statistical Manual of Mental
45 Disorders published by the American Psychiatric Association; or

1 (D) A physical or behavioral disorder that causes disorientation or otherwise may impede an
 2 individual's ability to interact effectively with a law enforcement officer.

3 **SECTION 141.** ORS 181A.290 is amended to read:

4 181A.290. (1) The Department of Human Services, the Oregon [*Health Authority*] **Department**
 5 **of Health**, the Psychiatric Security Review Board and the Judicial Department shall provide the
 6 Department of State Police with the minimum information necessary to identify persons who:

7 (a) Have been committed by a court to the Oregon [*Health Authority*] **Department of Health**
 8 under ORS 426.130, based on a finding that the person is dangerous to self or others;

9 (b) Are subject to a court order under ORS 426.130 or 426.133 prohibiting the person from pur-
 10 chasing or possessing a firearm;

11 (c) Have been committed by a court to the Department of Human Services under ORS 427.290,
 12 based on a finding that the person is dangerous to self or others;

13 (d) Have been found by a court to lack fitness to proceed under ORS 161.370;

14 (e) Have been found guilty except for insanity of a crime under ORS 161.290 to 161.373;

15 (f) Have been found responsible except for insanity for an act under ORS 419C.411;

16 (g) Have been placed under the jurisdiction of the Psychiatric Security Review Board under ORS
 17 161.315 to 161.351; or

18 (h) Have been committed to a state hospital or facility under ORS 161.315 to 161.351 or 419C.529
 19 to 419C.544.

20 (2) Upon receipt of the information described in this section, the Department of State Police
 21 shall access and maintain the information and transmit the information to the federal government
 22 as required under federal law.

23 (3) The Department of Human Services, the Oregon [*Health Authority*] **Department of Health**,
 24 the Psychiatric Security Review Board and the Judicial Department shall enter into agreements
 25 with the Department of State Police describing the access to information provided under this sec-
 26 tion.

27 (4) The Department of State Police shall adopt rules:

28 (a) After consulting with the Department of Human Services, the Oregon [*Health Authority*]
 29 **Department of Health**, the Psychiatric Security Review Board and the Judicial Department, de-
 30 scribing the type of information provided to the Department of State Police under this section; and

31 (b) Describing the method and manner of maintaining the information described in this section
 32 and transmitting the information to the federal government.

33 (5) As used in this section, "minimum information necessary" means data elements or nominal
 34 information that is necessary or required under federal law to accurately identify a person described
 35 in this section and includes the person's name, date of birth, gender and reference information that
 36 identifies the originating agency or court and enables the originating agency or court to locate an
 37 underlying record or file of a person described in this section. "Minimum information necessary"
 38 does not include any medical, psychiatric or psychological information, case histories or files of a
 39 person described in this section or any record or file of an originating agency or court.

40 **SECTION 142.** ORS 181A.375 is amended to read:

41 181A.375. (1) The Board on Public Safety Standards and Training shall establish the following
 42 policy committees:

43 (a) Corrections Policy Committee;

44 (b) Fire Policy Committee;

45 (c) Police Policy Committee;

- 1 (d) Telecommunications Policy Committee; and
 2 (e) Private Security Policy Committee.
- 3 (2) The members of each policy committee shall select a chairperson and vice chairperson for
 4 the policy committee. Only members of the policy committee who are also members of the board are
 5 eligible to serve as a chairperson or vice chairperson. The vice chairperson may act as chairperson
 6 in the absence of the chairperson.
- 7 (3) The Corrections Policy Committee consists of:
 8 (a) All of the board members who represent the corrections discipline;
 9 (b) The chief administrative officer of the training division of the Department of Corrections;
 10 (c) A security manager from the Department of Corrections recommended by the Director of the
 11 Department of Corrections; and
 12 (d) The following, who may not be current board members, appointed by the chairperson of the
 13 board:
 14 (A) One person recommended by and representing the Oregon State Sheriffs' Association;
 15 (B) Two persons recommended by and representing the Oregon Sheriff's Jail Command Council;
 16 (C) One person recommended by and representing a statewide association of community cor-
 17 rections directors;
 18 (D) One nonmanagement corrections officer employed by the Department of Corrections;
 19 (E) One corrections officer who is employed by the Department of Corrections at a women's
 20 correctional facility and who is a member of a bargaining unit;
 21 (F) Two nonmanagement corrections officers; and
 22 (G) One person representing the public who:
 23 (i) Has never been employed or utilized as a corrections officer or as a parole and probation
 24 officer; and
 25 (ii) Is not related within the second degree by affinity or consanguinity to a person who is em-
 26 ployed or utilized as a corrections officer or parole and probation officer.
- 27 (4) The Fire Policy Committee consists of:
 28 (a) All of the board members who represent the fire service discipline; and
 29 (b) The following, who may not be current board members, appointed by the chairperson of the
 30 board:
 31 (A) One person recommended by and representing a statewide association of fire instructors;
 32 (B) One person recommended by and representing a statewide association of fire marshals;
 33 (C) One person recommended by and representing community college fire programs;
 34 (D) One nonmanagement firefighter recommended by a statewide organization of firefighters;
 35 (E) One person representing the forest protection agencies and recommended by the State
 36 Forestry Department; and
 37 (F) One person representing the public who:
 38 (i) Has never been employed or utilized as a fire service professional; and
 39 (ii) Is not related within the second degree by affinity or consanguinity to a person who is em-
 40 ployed or utilized as a fire service professional.
- 41 (5) The Police Policy Committee consists of:
 42 (a) All of the board members who represent the law enforcement discipline; and
 43 (b) The following, who may not be current board members, appointed by the chairperson of the
 44 board:
 45 (A) One person recommended by and representing the Oregon Association Chiefs of Police;

- 1 (B) Two persons recommended by and representing the Oregon State Sheriffs' Association;
2 (C) One command officer recommended by and representing the Oregon State Police;
3 (D) Three nonmanagement law enforcement officers; and
4 (E) Two persons representing the public:
5 (i) Who have never been employed or utilized as a police officer, certified reserve officer, reserve
6 officer or regulatory specialist;
7 (ii) Who are not related within the second degree by affinity or consanguinity to a person who
8 is employed or utilized as a police officer, certified reserve officer, reserve officer or regulatory
9 specialist; and
10 (iii) One of whom is a member of a marginalized or historically underrepresented community.
11 (6) The Telecommunications Policy Committee consists of:
12 (a) All of the board members who represent the telecommunications discipline; and
13 (b) The following, who may not be current board members, appointed by the chairperson of the
14 board:
15 (A) Two persons recommended by and representing a statewide association of public safety
16 communications officers;
17 (B) One person recommended by and representing the Oregon Association Chiefs of Police;
18 (C) One person recommended by and representing the Oregon State Police;
19 (D) Two persons representing telecommunicators;
20 (E) One person recommended by and representing the Oregon State Sheriffs' Association;
21 (F) One person recommended by and representing the Oregon Fire Chiefs Association;
22 (G) One person recommended by and representing the Emergency Medical Services and Trauma
23 Systems Program of the Oregon *[Health Authority]* **Department of Health**;
24 (H) One person representing emergency medical services providers and recommended by a
25 statewide association dealing with fire medical issues; and
26 (I) One person representing the public who:
27 (i) Has never been employed or utilized as a telecommunicator or an emergency medical dis-
28 patcher; and
29 (ii) Is not related within the second degree by affinity or consanguinity to a person who is em-
30 ployed or utilized as a telecommunicator or an emergency medical dispatcher.
31 (7) The Private Security Policy Committee consists of:
32 (a) All of the board members who represent the private security industry; and
33 (b) The following, who may not be current board members, appointed by the chairperson of the
34 board:
35 (A) One person representing unarmed private security professionals;
36 (B) One person representing armed private security professionals;
37 (C) One person representing the health care industry;
38 (D) One person representing the manufacturing industry;
39 (E) One person representing the retail industry;
40 (F) One person representing the hospitality industry;
41 (G) One person representing private business or a governmental entity that utilizes private se-
42 curity services;
43 (H) One person representing persons who monitor alarm systems;
44 (I) Two persons who are investigators licensed under ORS 703.430, one of whom is recommended
45 by the Oregon State Bar and one of whom is in private practice; and

1 (J) One person representing the public who:

2 (i) Has never been employed or utilized as a private security provider, as defined in ORS
3 181A.840, or an investigator, as defined in ORS 703.401; and

4 (ii) Is not related within the second degree by affinity or consanguinity to a person who is em-
5 ployed or utilized as a private security provider, as defined in ORS 181A.840, or an investigator, as
6 defined in ORS 703.401.

7 (8) In making appointments to the policy committees under this section, the chairperson of the
8 board shall seek to reflect the diversity of the state’s population. An appointment made by the
9 chairperson of the board must be ratified by the board before the appointment is effective. The
10 chairperson of the board may remove an appointed member for just cause. An appointment to a
11 policy committee that is based on the member’s employment is automatically revoked if the member
12 changes employment. The chairperson of the board shall fill a vacancy in the same manner as
13 making an initial appointment. The term of an appointed member is two years. An appointed member
14 may be appointed to a second term.

15 (9) A policy committee may meet at such times and places as determined by the policy commit-
16 tee in consultation with the Department of Public Safety Standards and Training. A majority of a
17 policy committee constitutes a quorum to conduct business. A policy committee may create sub-
18 committees if needed.

19 (10)(a) Each policy committee shall develop policies, requirements, standards and rules relating
20 to its specific discipline. A policy committee shall submit its policies, requirements, standards and
21 rules to the board for the board’s consideration. When a policy committee submits a policy, re-
22 quirement, standard or rule to the board for the board’s consideration, the board shall:

23 (A) Approve the policy, requirement, standard or rule;

24 (B) Disapprove the policy, requirement, standard or rule; or

25 (C) Defer a decision and return the matter to the policy committee for revision or reconsider-
26 ation.

27 (b) The board may defer a decision and return a matter submitted by a policy committee under
28 paragraph (a) of this subsection only once. If a policy, requirement, standard or rule that was re-
29 turned to a policy committee is resubmitted to the board, the board shall take all actions necessary
30 to implement the policy, requirement, standard or rule unless the board disapproves the policy, re-
31 quirement, standard or rule.

32 (c) Disapproval of a policy, requirement, standard or rule under paragraph (a) or (b) of this
33 subsection requires a two-thirds vote by the members of the board.

34 (11) At any time after submitting a matter to the board, the chairperson of the policy committee
35 may withdraw the matter from the board’s consideration.

36 **SECTION 143.** ORS 182.415 is amended to read:

37 182.415. As used in ORS 182.415 to 182.435 unless the context requires otherwise:

38 (1) “Furnishings” includes furniture usually used in connection with occupancy of a household
39 but does not include rugs, draperies, ranges, refrigerators, washers, dryers or any item of furnishings
40 received by the state or one of its agencies as a gift, nor does it include any furniture purchased
41 for the state-owned residence required in relation to the official duties of an institutional executive.

42 (2) “Housing” includes single and multiple family dwellings, apartments, and manufactured
43 dwellings and manufactured dwelling pads, available on a monthly tenancy but does not include
44 guard stations maintained by the State Forestry Department or dormitory facilities at any state in-
45 stitution or at any public university listed in ORS 352.002.

1 (3) “Dormitory” includes any facility that houses students and those facilities used primarily for
 2 sleeping purposes by the employees of the Department of Human Services or the Oregon [*Health*
 3 *Authority*] **Department of Health**.

4 (4) “State agency” has the meaning given that term in ORS 291.002.

5 **SECTION 144.** ORS 182.515 is amended to read:

6 182.515. As used in this section and ORS 182.525:

7 (1) “Agency” means:

8 (a) The Department of Corrections;

9 (b) The Oregon Youth Authority;

10 (c) The Youth Development Division; and

11 (d) That part of the Oregon [*Health Authority*] **Department of Health** that deals with mental
 12 health and addiction issues.

13 (2) “Cost-effective” means that benefits realized over a reasonable period of time are greater
 14 than costs, as determined utilizing a cost-benefit analytical tool identified by the Oregon Criminal
 15 Justice Commission.

16 (3) “Evidence-based program” means a program that:

17 (a) Incorporates significant and relevant practices based on scientifically based research; and

18 (b) Is cost-effective.

19 (4)(a) “Program” means a treatment or intervention program or service that is intended to:

20 (A) Reduce the propensity of a person to commit crimes;

21 (B) Improve the mental health of a person with the result of reducing the likelihood that the
 22 person will commit a crime or need emergency mental health services; or

23 (C) Reduce the propensity of a person who is less than 18 years of age to engage in antisocial
 24 behavior with the result of reducing the likelihood that the person will become a juvenile offender.

25 (b) “Program” does not include:

26 (A) An educational program or service that an agency is required to provide to meet educational
 27 requirements imposed by state law; or

28 (B) A program that provides basic medical services.

29 (5) “Scientifically based research” means research that obtains reliable and valid knowledge by:

30 (a) Employing systematic, empirical methods that draw on observation or experiment;

31 (b) Involving rigorous data analyses that are adequate to test the stated hypotheses and justify
 32 the general conclusions drawn;

33 (c) Relying on measurements or observational methods that provide reliable and valid data
 34 across evaluators and observers, across multiple measurements and observations and across studies
 35 by the same or different investigators; and

36 (d) Utilizing randomized controlled trials when possible and appropriate.

37 **SECTION 145.** ORS 182.535, as amended by section 11, chapter 58, Oregon Laws 2022, is
 38 amended to read:

39 182.535. As used in ORS 182.535 to 182.550:

40 (1) “Community-supported natural resource collaborative” means a group that works with a nat-
 41 ural resource agency in a collaborative manner on natural resource issues affecting the community
 42 and that:

43 (a) Promotes public participation in natural resource decisions;

44 (b) Provides an open forum that allows for public deliberation of natural resource decisions af-
 45 fecting the community;

1 (c) Can demonstrate diverse representation and balance between interests, including but not
 2 limited to environmental organizations, industry organizations and community members;

3 (d) Has members who are individuals or organizations directly affected by the natural resource
 4 decisions discussed;

5 (e) Has a governance agreement that guides its operations; and

6 (f) Works in cooperation with local and tribal governments.

7 (2) "Environmental burden" means the environmental and health risks to communities caused
 8 by the combined historic, current and projected future effects of:

9 (a) Exposure to conventional pollution and toxic hazards in the air or in or on water or land;

10 (b) Adverse environmental conditions caused or made worse by other contamination or pollution;
 11 and

12 (c) Changes in the environment resulting from climate change, such as water insecurity,
 13 drought, flooding, wildfire, smoke and other air pollution, extreme heat, loss of traditional cultural
 14 resources or foods, ocean acidification, sea-level rise and increases in infectious disease.

15 (3) "Environmental justice" means the equal protection from environmental and health risks, fair
 16 treatment and meaningful involvement in decision making of all people regardless of race, color,
 17 national origin, immigration status, income or other identities with respect to the development, im-
 18 plementation and enforcement of environmental laws, regulations and policies that affect the envi-
 19 ronment in which people live, work, learn and practice spirituality and culture.

20 (4) "Environmental justice community" includes communities of color, communities experiencing
 21 lower incomes, communities experiencing health inequities, tribal communities, rural communities,
 22 remote communities, coastal communities, communities with limited infrastructure and other com-
 23 munities traditionally underrepresented in public processes and adversely harmed by environmental
 24 and health hazards, including seniors, youth and persons with disabilities.

25 (5) "Equity analysis" means an analysis used to determine or evaluate environmental justice
 26 considerations.

27 (6) "Fair treatment" means that no one group of people, including racial, ethnic or
 28 socioeconomic groups, should bear a disproportionate share of the negative environmental conse-
 29 quences resulting from industrial, municipal and commercial operations or the execution of federal,
 30 state, local and tribal environmental programs and policies.

31 (7) "Meaningful involvement" means:

32 (a) Members of vulnerable populations have appropriate opportunities to participate in decisions
 33 about a proposed activity that will affect their environment or health;

34 (b) Public involvement can influence a decision maker's decision;

35 (c) The concerns of all participants involved are considered in the decision-making process; and

36 (d) Decision makers seek out and facilitate the involvement of members of vulnerable popu-
 37 lations.

38 (8) "Natural resource agency" means the Department of Environmental Quality, the State De-
 39 partment of Agriculture, the Water Resources Department, the State Department of Fish and
 40 Wildlife, the State Parks and Recreation Department, the State Department of Energy, the Oregon
 41 Watershed Enhancement Board, the State Forestry Department, the Department of State Lands, the
 42 State Department of Geology and Mineral Industries, the Department of Land Conservation and
 43 Development, the State Marine Board, the Public Utility Commission, the Department of Transpor-
 44 tation, the Department of the State Fire Marshal and the Oregon [*Health Authority*] **Department**
 45 **of Health**.

1 (9) "Remote community" means a community with low population density and high geographic
2 remoteness.

3 **SECTION 146.** ORS 183.453 is amended to read:

4 183.453. The Oregon [*Health Authority*] **Department of Health** and the Department of Human
5 Services may be represented at contested case hearings by an officer or employee of either [*the au-*
6 *thority or the*] department, subject to the requirements of ORS 183.452.

7 **SECTION 147.** ORS 183.471 is amended to read:

8 183.471. (1) When an agency issues a final order in a contested case, the agency shall maintain
9 the final order in a digital format that:

10 (a) Identifies the final order by the date it was issued;

11 (b) Is suitable for indexing and searching; and

12 (c) Preserves the textual attributes of the document, including the manner in which the docu-
13 ment is paginated and any boldfaced, italicized or underlined writing in the document.

14 (2) The Oregon State Bar may request that an agency provide the Oregon State Bar, or its
15 designee, with electronic copies of final orders issued by the agency in contested cases. The request
16 must be in writing. No later than 30 days after receiving the request, the agency, subject to ORS
17 192.338, 192.345 and 192.355, shall provide the Oregon State Bar, or its designee, with an electronic
18 copy of all final orders identified in the request.

19 (3) Notwithstanding ORS 192.324, an agency may not charge a fee for the first two requests
20 submitted under this section in a calendar year. For any subsequent request, an agency may impose
21 a fee in accordance with ORS 192.324 to reimburse the agency for the actual costs of complying with
22 the request.

23 (4) For purposes of this section, a final order entered in a contested case by an administrative
24 law judge under ORS 183.625 (3) is a final order issued by the agency that authorized the adminis-
25 trative law judge to conduct the hearing.

26 (5) This section does not apply to final orders by default issued under ORS 183.417 (3) or to final
27 orders issued in contested cases by:

28 (a) The Department of Revenue;

29 (b) The State Board of Parole and Post-Prison Supervision;

30 (c) The Department of Corrections;

31 (d) The Employment Relations Board;

32 (e) The Public Utility Commission of Oregon;

33 (f) The Oregon [*Health Authority*] **Department of Health**;

34 (g) The Land Conservation and Development Commission;

35 (h) The Land Use Board of Appeals;

36 (i) The Division of Child Support of the Department of Justice;

37 (j) The Department of Transportation, if the final order relates to the suspension, revocation or
38 cancellation of identification cards, vehicle registrations, vehicle titles or driving privileges or to the
39 assessment of taxes or stipulated settlements in the regulation of vehicle related businesses;

40 (k) The Employment Department or the Employment Appeals Board, if the final order relates to
41 benefits as defined in ORS 657.010;

42 (L) The Employment Department, if the final order relates to an assessment of unemployment
43 tax for which a hearing was not held; or

44 (m) The Department of Human Services, if the final order was not related to licensing or certi-
45 fication.

1 **SECTION 148.** ORS 185.140 is amended to read:

2 185.140. (1) The Oregon Disabilities Commission shall:

3 (a) Advise the Department of Human Services, the Oregon [*Health Authority*] **Department of**
4 **Health**, the Governor, the Legislative Assembly and appropriate state agency administrators on
5 services and resources needed to serve individuals with disabilities and recommend action by the
6 Governor, the Legislative Assembly, state agencies, other governmental entities and the private
7 sector appropriate to meet such needs.

8 (b) Advise the Governor, state and local elected officials and managers of public and private
9 firms and agencies on issues related to achieving full economic, social, legal and political equity for
10 individuals with disabilities.

11 (2) The commission in no way shall impinge upon the authority or responsibilities of any other
12 existing or duly appointed commissions, boards, councils or committees. The commission shall act
13 as a coordinating link between and among public and private organizations serving individuals with
14 disabilities.

15 **SECTION 149.** ORS 187.284 is amended to read:

16 187.284. (1) The Legislative Assembly designates:

17 (a) June 27 of each year as Oregon Post-Traumatic Stress Injury Awareness Day; and

18 (b) The month of June as Post-Traumatic Stress Injury Awareness Month.

19 (2) The Legislative Assembly respectfully urges the Oregon [*Health Authority*] **Department of**
20 **Health**, the Department of Veterans' Affairs and the Oregon Military Department to continue
21 working to educate victims of interpersonal violence, combat, life-threatening accidents and natural
22 disasters and their families, as well as the general public, about the causes, symptoms and treatment
23 of post-traumatic stress injury.

24 **SECTION 150.** ORS 192.355, as amended by section 5, chapter 60, Oregon Laws 2022, is
25 amended to read:

26 192.355. The following public records are exempt from disclosure under ORS 192.311 to 192.478:

27 (1) Communications within a public body or between public bodies of an advisory nature to the
28 extent that they cover other than purely factual materials and are preliminary to any final agency
29 determination of policy or action. This exemption shall not apply unless the public body shows that
30 in the particular instance the public interest in encouraging frank communication between officials
31 and employees of public bodies clearly outweighs the public interest in disclosure.

32 (2)(a) Information of a personal nature such as but not limited to that kept in a personal, med-
33 ical or similar file, if public disclosure would constitute an unreasonable invasion of privacy, unless
34 the public interest by clear and convincing evidence requires disclosure in the particular instance.
35 The party seeking disclosure shall have the burden of showing that public disclosure would not
36 constitute an unreasonable invasion of privacy.

37 (b) Images of a dead body, or parts of a dead body, that are part of a law enforcement agency
38 investigation, if public disclosure would create an unreasonable invasion of privacy of the family of
39 the deceased person, unless the public interest by clear and convincing evidence requires disclosure
40 in the particular instance. The party seeking disclosure shall have the burden of showing that public
41 disclosure would not constitute an unreasonable invasion of privacy.

42 (3) Upon compliance with ORS 192.363, public body employee or volunteer residential addresses,
43 residential telephone numbers, personal cellular telephone numbers, personal electronic mail ad-
44 dresses, driver license numbers, employer-issued identification card numbers, emergency contact in-
45 formation, Social Security numbers, dates of birth and other telephone numbers contained in

1 personnel records maintained by the public body that is the employer or the recipient of volunteer
 2 services. This exemption:

3 (a) Does not apply to the addresses, dates of birth and telephone numbers of employees or vol-
 4 unteers who are elected officials, except that a judge or district attorney subject to election may
 5 seek to exempt the judge's or district attorney's address or telephone number, or both, under the
 6 terms of ORS 192.368;

7 (b) Does not apply to employees or volunteers to the extent that the party seeking disclosure
 8 shows by clear and convincing evidence that the public interest requires disclosure in a particular
 9 instance pursuant to ORS 192.363;

10 (c) Does not apply to a substitute teacher as defined in ORS 342.815 when requested by a pro-
 11 fessional education association of which the substitute teacher may be a member; and

12 (d) Does not relieve a public employer of any duty under ORS 243.650 to 243.809.

13 (4) Information submitted to a public body in confidence and not otherwise required by law to
 14 be submitted, where such information should reasonably be considered confidential, the public body
 15 has obliged itself in good faith not to disclose the information, and when the public interest would
 16 suffer by the disclosure.

17 (5) Information or records of the Department of Corrections, including the State Board of Parole
 18 and Post-Prison Supervision, to the extent that disclosure would interfere with the rehabilitation of
 19 a person in custody of the department or substantially prejudice or prevent the carrying out of the
 20 functions of the department, if the public interest in confidentiality clearly outweighs the public in-
 21 terest in disclosure.

22 (6) Records, reports and other information received or compiled by the Director of the Depart-
 23 ment of Consumer and Business Services in the administration of ORS chapters 723 and 725 not
 24 otherwise required by law to be made public, to the extent that the interests of lending institutions,
 25 their officers, employees and customers in preserving the confidentiality of such information out-
 26 weighs the public interest in disclosure.

27 (7) Reports made to or filed with the court under ORS 137.077 or 137.530.

28 (8) Any public records or information the disclosure of which is prohibited by federal law or
 29 regulations.

30 (9)(a) Public records or information the disclosure of which is prohibited or restricted or other-
 31 wise made confidential or privileged under Oregon law.

32 (b) Subject to ORS 192.360, paragraph (a) of this subsection does not apply to factual information
 33 compiled in a public record when:

34 (A) The basis for the claim of exemption is ORS 40.225;

35 (B) The factual information is not prohibited from disclosure under any applicable state or fed-
 36 eral law, regulation or court order and is not otherwise exempt from disclosure under ORS 192.311
 37 to 192.478;

38 (C) The factual information was compiled by or at the direction of an attorney as part of an
 39 investigation on behalf of the public body in response to information of possible wrongdoing by the
 40 public body;

41 (D) The factual information was not compiled in preparation for litigation, arbitration or an
 42 administrative proceeding that was reasonably likely to be initiated or that has been initiated by
 43 or against the public body; and

44 (E) The holder of the privilege under ORS 40.225 has made or authorized a public statement
 45 characterizing or partially disclosing the factual information compiled by or at the attorney's di-

1 rection.

2 (10) Public records or information described in this section, furnished by the public body ori-
 3 ginally compiling, preparing or receiving them to any other public officer or public body in con-
 4 nection with performance of the duties of the recipient, if the considerations originally giving rise
 5 to the confidential or exempt nature of the public records or information remain applicable.

6 (11) Records of the Energy Facility Siting Council concerning the review or approval of security
 7 programs pursuant to ORS 469.530.

8 (12) Employee and retiree address, telephone number and other nonfinancial membership records
 9 and employee financial records maintained by the Public Employees Retirement System pursuant to
 10 ORS chapters 238 and 238A.

11 (13) Records of or submitted to the State Treasurer, the Oregon Investment Council or the
 12 agents of the treasurer or the council relating to active or proposed publicly traded investments
 13 under ORS chapter 293, including but not limited to records regarding the acquisition, exchange or
 14 liquidation of the investments. For the purposes of this subsection:

15 (a) The exemption does not apply to:

16 (A) Information in investment records solely related to the amount paid directly into an invest-
 17 ment by, or returned from the investment directly to, the treasurer or council; or

18 (B) The identity of the entity to which the amount was paid directly or from which the amount
 19 was received directly.

20 (b) An investment in a publicly traded investment is no longer active when acquisition, exchange
 21 or liquidation of the investment has been concluded.

22 (14)(a) Records of or submitted to the State Treasurer, the Oregon Investment Council, the
 23 Oregon Growth Board or the agents of the treasurer, council or board relating to actual or proposed
 24 investments under ORS chapter 293 or 348 in a privately placed investment fund or a private asset
 25 including but not limited to records regarding the solicitation, acquisition, deployment, exchange or
 26 liquidation of the investments including but not limited to:

27 (A) Due diligence materials that are proprietary to an investment fund, to an asset ownership
 28 or to their respective investment vehicles.

29 (B) Financial statements of an investment fund, an asset ownership or their respective invest-
 30 ment vehicles.

31 (C) Meeting materials of an investment fund, an asset ownership or their respective investment
 32 vehicles.

33 (D) Records containing information regarding the portfolio positions in which an investment
 34 fund, an asset ownership or their respective investment vehicles invest.

35 (E) Capital call and distribution notices of an investment fund, an asset ownership or their re-
 36 spective investment vehicles.

37 (F) Investment agreements and related documents.

38 (b) The exemption under this subsection does not apply to:

39 (A) The name, address and vintage year of each privately placed investment fund.

40 (B) The dollar amount of the commitment made to each privately placed investment fund since
 41 inception of the fund.

42 (C) The dollar amount of cash contributions made to each privately placed investment fund since
 43 inception of the fund.

44 (D) The dollar amount, on a fiscal year-end basis, of cash distributions received by the State
 45 Treasurer, the Oregon Investment Council, the Oregon Growth Board or the agents of the treasurer,

1 council or board from each privately placed investment fund.

2 (E) The dollar amount, on a fiscal year-end basis, of the remaining value of assets in a privately
3 placed investment fund attributable to an investment by the State Treasurer, the Oregon Investment
4 Council, the Oregon Growth Board or the agents of the treasurer, council or board.

5 (F) The net internal rate of return of each privately placed investment fund since inception of
6 the fund.

7 (G) The investment multiple of each privately placed investment fund since inception of the fund.

8 (H) The dollar amount of the total management fees and costs paid on an annual fiscal year-end
9 basis to each privately placed investment fund.

10 (I) The dollar amount of cash profit received from each privately placed investment fund on a
11 fiscal year-end basis.

12 (15) The monthly reports prepared and submitted under ORS 293.761 and 293.766 concerning the
13 Public Employees Retirement Fund and the Industrial Accident Fund may be uniformly treated as
14 exempt from disclosure for a period of up to 90 days after the end of the calendar quarter.

15 (16) Reports of unclaimed property filed by the holders of such property to the extent permitted
16 by ORS 98.352.

17 (17)(a) The following records, communications and information submitted to the Oregon Business
18 Development Commission, the Oregon Business Development Department, the State Department of
19 Agriculture, the Oregon Growth Board, the Port of Portland or other ports as defined in ORS
20 777.005, or a county or city governing body and any board, department, commission, council or
21 agency thereof, by applicants for investment funds, grants, loans, services or economic development
22 moneys, support or assistance including, but not limited to, those described in ORS 285A.224:

23 (A) Personal financial statements.

24 (B) Financial statements of applicants.

25 (C) Customer lists.

26 (D) Information of an applicant pertaining to litigation to which the applicant is a party if the
27 complaint has been filed, or if the complaint has not been filed, if the applicant shows that such
28 litigation is reasonably likely to occur; this exemption does not apply to litigation which has been
29 concluded, and nothing in this subparagraph shall limit any right or opportunity granted by discov-
30 ery or deposition statutes to a party to litigation or potential litigation.

31 (E) Production, sales and cost data.

32 (F) Marketing strategy information that relates to applicant's plan to address specific markets
33 and applicant's strategy regarding specific competitors.

34 (b) The following records, communications and information submitted to the State Department
35 of Energy by applicants for tax credits or for grants awarded under ORS 469B.256:

36 (A) Personal financial statements.

37 (B) Financial statements of applicants.

38 (C) Customer lists.

39 (D) Information of an applicant pertaining to litigation to which the applicant is a party if the
40 complaint has been filed, or if the complaint has not been filed, if the applicant shows that such
41 litigation is reasonably likely to occur; this exemption does not apply to litigation which has been
42 concluded, and nothing in this subparagraph shall limit any right or opportunity granted by discov-
43 ery or deposition statutes to a party to litigation or potential litigation.

44 (E) Production, sales and cost data.

45 (F) Marketing strategy information that relates to applicant's plan to address specific markets

1 and applicant's strategy regarding specific competitors.

2 (18) Records, reports or returns submitted by private concerns or enterprises required by law
 3 to be submitted to or inspected by a governmental body to allow it to determine the amount of any
 4 transient lodging tax payable and the amounts of such tax payable or paid, to the extent that such
 5 information is in a form which would permit identification of the individual concern or enterprise.
 6 Nothing in this subsection shall limit the use which can be made of such information for regulatory
 7 purposes or its admissibility in any enforcement proceedings. The public body shall notify the tax-
 8 payer of the delinquency immediately by certified mail. However, in the event that the payment or
 9 delivery of transient lodging taxes otherwise due to a public body is delinquent by over 60 days, the
 10 public body shall disclose, upon the request of any person, the following information:

11 (a) The identity of the individual concern or enterprise that is delinquent over 60 days in the
 12 payment or delivery of the taxes.

13 (b) The period for which the taxes are delinquent.

14 (c) The actual, or estimated, amount of the delinquency.

15 (19) All information supplied by a person under ORS 151.485 for the purpose of requesting ap-
 16 pointed counsel, and all information supplied to the court from whatever source for the purpose of
 17 verifying the financial eligibility of a person pursuant to ORS 151.485.

18 (20) Workers' compensation claim records of the Department of Consumer and Business Services,
 19 except in accordance with rules adopted by the Director of the Department of Consumer and Busi-
 20 ness Services, in any of the following circumstances:

21 (a) When necessary for insurers, self-insured employers and third party claim administrators to
 22 process workers' compensation claims.

23 (b) When necessary for the director, other governmental agencies of this state or the United
 24 States to carry out their duties, functions or powers.

25 (c) When the disclosure is made in such a manner that the disclosed information cannot be used
 26 to identify any worker who is the subject of a claim.

27 (d) When a worker or the worker's representative requests review of the worker's claim record.

28 (21) Sensitive business records or financial or commercial information of the Oregon Health and
 29 Science University that is not customarily provided to business competitors.

30 (22) Records of Oregon Health and Science University regarding candidates for the position of
 31 president of the university.

32 (23) The records of a library, including:

33 (a) Circulation records, showing use of specific library material by a named person;

34 (b) The name of a library patron together with the address or telephone number of the patron;
 35 and

36 (c) The electronic mail address of a patron.

37 (24) The following records, communications and information obtained by the Housing and Com-
 38 munity Services Department in connection with the department's monitoring or administration of
 39 financial assistance or of housing or other developments:

40 (a) Personal and corporate financial statements and information, including tax returns.

41 (b) Credit reports.

42 (c) Project appraisals, excluding appraisals obtained in the course of transactions involving an
 43 interest in real estate that is acquired, leased, rented, exchanged, transferred or otherwise disposed
 44 of as part of the project, but only after the transactions have closed and are concluded.

45 (d) Market studies and analyses.

- 1 (e) Articles of incorporation, partnership agreements and operating agreements.
- 2 (f) Commitment letters.
- 3 (g) Project pro forma statements.
- 4 (h) Project cost certifications and cost data.
- 5 (i) Audits.
- 6 (j) Project tenant correspondence.
- 7 (k) Personal information about a tenant.
- 8 (L) Housing assistance payments.
- 9 (25) Raster geographic information system (GIS) digital databases, provided by private forestland
- 10 owners or their representatives, voluntarily and in confidence to the State Forestry Department,
- 11 that is not otherwise required by law to be submitted.
- 12 (26) Sensitive business, commercial or financial information furnished to or developed by a
- 13 public body engaged in the business of providing electricity or electricity services, if the information
- 14 is directly related to a transaction described in ORS 261.348, or if the information is directly related
- 15 to a bid, proposal or negotiations for the sale or purchase of electricity or electricity services, and
- 16 disclosure of the information would cause a competitive disadvantage for the public body or its re-
- 17 tail electricity customers. This subsection does not apply to cost-of-service studies used in the de-
- 18 velopment or review of generally applicable rate schedules.
- 19 (27) Sensitive business, commercial or financial information furnished to or developed by the
- 20 City of Klamath Falls, acting solely in connection with the ownership and operation of the Klamath
- 21 Cogeneration Project, if the information is directly related to a transaction described in ORS 225.085
- 22 and disclosure of the information would cause a competitive disadvantage for the Klamath
- 23 Cogeneration Project. This subsection does not apply to cost-of-service studies used in the develop-
- 24 ment or review of generally applicable rate schedules.
- 25 (28) Personally identifiable information about customers of a municipal electric utility or a
- 26 people's utility district or the names, dates of birth, driver license numbers, telephone numbers,
- 27 electronic mail addresses or Social Security numbers of customers who receive water, sewer or
- 28 storm drain services from a public body as defined in ORS 174.109. The utility or district may re-
- 29 lease personally identifiable information about a customer, and a public body providing water, sewer
- 30 or storm drain services may release the name, date of birth, driver license number, telephone num-
- 31 ber, electronic mail address or Social Security number of a customer, if the customer consents in
- 32 writing or electronically, if the disclosure is necessary for the utility, district or other public body
- 33 to render services to the customer, if the disclosure is required pursuant to a court order or if the
- 34 disclosure is otherwise required by federal or state law. The utility, district or other public body
- 35 may charge as appropriate for the costs of providing such information. The utility, district or other
- 36 public body may make customer records available to third party credit agencies on a regular basis
- 37 in connection with the establishment and management of customer accounts or in the event such
- 38 accounts are delinquent.
- 39 (29) A record of the street and number of an employee's address submitted to a special district
- 40 to obtain assistance in promoting an alternative to single occupant motor vehicle transportation.
- 41 (30) Sensitive business records, capital development plans or financial or commercial information
- 42 of Oregon Corrections Enterprises that is not customarily provided to business competitors.
- 43 (31) Documents, materials or other information submitted to the Director of the Department of
- 44 Consumer and Business Services in confidence by a state, federal, foreign or international regulatory
- 45 or law enforcement agency or by the National Association of Insurance Commissioners, its affiliates

1 or subsidiaries under ORS 86A.095 to 86A.198, 697.005 to 697.095, 697.602 to 697.842, 705.137, 717.200
 2 to 717.320, 717.900 or 717.905, ORS chapter 59, 723, 725 or 726, the Bank Act or the Insurance Code
 3 when:

4 (a) The document, material or other information is received upon notice or with an under-
 5 standing that it is confidential or privileged under the laws of the jurisdiction that is the source of
 6 the document, material or other information; and

7 (b) The director has obligated the Department of Consumer and Business Services not to dis-
 8 close the document, material or other information.

9 (32) A county elections security plan developed and filed under ORS 254.074.

10 (33) Information about review or approval of programs relating to the security of:

11 (a) Generation, storage or conveyance of:

12 (A) Electricity;

13 (B) Gas in liquefied or gaseous form;

14 (C) Hazardous substances as defined in ORS 453.005 (7)(a), (b) and (d);

15 (D) Petroleum products;

16 (E) Sewage; or

17 (F) Water.

18 (b) Telecommunication systems, including cellular, wireless or radio systems.

19 (c) Data transmissions by whatever means provided.

20 (34) The information specified in ORS 25.020 (8) if the Chief Justice of the Supreme Court des-
 21 ignates the information as confidential by rule under ORS 1.002.

22 (35)(a) Employer account records of the State Accident Insurance Fund Corporation.

23 (b) As used in this subsection, "employer account records" means all records maintained in any
 24 form that are specifically related to the account of any employer insured, previously insured or un-
 25 der consideration to be insured by the State Accident Insurance Fund Corporation and any infor-
 26 mation obtained or developed by the corporation in connection with providing, offering to provide
 27 or declining to provide insurance to a specific employer. "Employer account records" includes, but
 28 is not limited to, an employer's payroll records, premium payment history, payroll classifications,
 29 employee names and identification information, experience modification factors, loss experience and
 30 dividend payment history.

31 (c) The exemption provided by this subsection may not serve as the basis for opposition to the
 32 discovery documents in litigation pursuant to applicable rules of civil procedure.

33 (36)(a) Claimant files of the State Accident Insurance Fund Corporation.

34 (b) As used in this subsection, "claimant files" includes, but is not limited to, all records held
 35 by the corporation pertaining to a person who has made a claim, as defined in ORS 656.005, and all
 36 records pertaining to such a claim.

37 (c) The exemption provided by this subsection may not serve as the basis for opposition to the
 38 discovery documents in litigation pursuant to applicable rules of civil procedure.

39 (37) Except as authorized by ORS 408.425, records that certify or verify an individual's discharge
 40 or other separation from military service.

41 (38) Records of or submitted to a domestic violence service or resource center that relate to the
 42 name or personal information of an individual who visits a center for service, including the date of
 43 service, the type of service received, referrals or contact information or personal information of a
 44 family member of the individual. As used in this subsection, "domestic violence service or resource
 45 center" means an entity, the primary purpose of which is to assist persons affected by domestic or

1 sexual violence by providing referrals, resource information or other assistance specifically of ben-
2 efit to domestic or sexual violence victims.

3 (39) Information reported to the Oregon [*Health Authority*] **Department of Health** under ORS
4 431A.860, except as provided in ORS 431A.865 (3)(b), information disclosed by the [*authority*] **de-**
5 **partment** under ORS 431A.865 and any information related to disclosures made by the [*authority*]
6 **department** under ORS 431A.865, including information identifying the recipient of the information.

7 (40)(a) Electronic mail addresses in the possession or custody of an agency or subdivision of the
8 executive department, as defined in ORS 174.112, the legislative department, as defined in ORS
9 174.114, a local government or local service district, as defined in ORS 174.116, or a special gov-
10 ernment body, as defined in ORS 174.117.

11 (b) This subsection does not apply to electronic mail addresses assigned by a public body to
12 public employees for use by the employees in the ordinary course of their employment.

13 (c) This subsection and ORS 244.040 do not prohibit the campaign office of the current
14 officeholder or current candidates who have filed to run for that elective office from receiving upon
15 request the electronic mail addresses used by the current officeholder's legislative office for news-
16 letter distribution, except that a campaign office that receives electronic mail addresses under this
17 paragraph may not make a further disclosure of those electronic mail addresses to any other person.

18 (41) Residential addresses, residential telephone numbers, personal cellular telephone numbers,
19 personal electronic mail addresses, driver license numbers, emergency contact information, Social
20 Security numbers, dates of birth and other telephone numbers of individuals currently or previously
21 certified or licensed by the Department of Public Safety Standards and Training contained in the
22 records maintained by the department.

23 (42) Personally identifiable information and contact information of veterans as defined in ORS
24 408.225 and of persons serving on active duty or as reserve members with the Armed Forces of the
25 United States, National Guard or other reserve component that was obtained by the Department of
26 Veterans' Affairs in the course of performing its duties and functions, including but not limited to
27 names, residential and employment addresses, dates of birth, driver license numbers, telephone
28 numbers, electronic mail addresses, Social Security numbers, marital status, dependents, the char-
29 acter of discharge from military service, military rating or rank, that the person is a veteran or has
30 provided military service, information relating to an application for or receipt of federal or state
31 benefits, information relating to the basis for receipt or denial of federal or state benefits and in-
32 formation relating to a home loan or grant application, including but not limited to financial infor-
33 mation provided in connection with the application.

34 (43) Business, commercial, financial, operational and research data and information, including
35 but not limited to pricing, intellectual property and customer records, furnished to, developed by or
36 generated in connection with the ownership and operation of an unmanned aerial system test range,
37 if disclosure of the information would cause a competitive disadvantage to the test range or its us-
38 ers.

39 (44) Personally identifiable information about a child under the age of 16 years that is submitted
40 to the State Fish and Wildlife Commission or an agent of the commission to obtain a license, tag
41 or permit under the wildlife laws.

42 (45) Proprietary information subject to a nondisclosure agreement that is provided to the Oregon
43 Broadband Office pursuant to section 4, chapter 60, Oregon Laws 2022.

44 **SECTION 151.** ORS 192.535 is amended to read:

45 192.535. (1) A person may not obtain genetic information from an individual, or from an

1 individual's DNA sample, without first obtaining informed consent of the individual or the
2 individual's representative, except:

3 (a) As authorized by ORS 181A.155 or comparable provisions of federal criminal law relating to
4 the identification of persons, or for the purpose of establishing the identity of a person in the course
5 of an investigation conducted by a law enforcement agency, a district attorney, a medical examiner
6 or the Criminal Justice Division of the Department of Justice;

7 (b) For anonymous research or coded research conducted under conditions described in ORS
8 192.537 (2), after notification pursuant to ORS 192.538 or pursuant to ORS 192.547 (7)(b);

9 (c) As permitted by rules of the Oregon [*Health Authority*] **Department of Health** for identifi-
10 cation of deceased individuals;

11 (d) As permitted by rules of the Oregon [*Health Authority*] **Department of Health** for newborn
12 screening procedures;

13 (e) As authorized by statute for the purpose of establishing parentage; or

14 (f) For the purpose of furnishing genetic information relating to a decedent for medical diagnosis
15 of blood relatives of the decedent.

16 (2) Except as provided in subsection (3) of this section, a physician licensed under ORS chapter
17 677 shall seek the informed consent of the individual or the individual's representative for the pur-
18 poses of subsection (1) of this section in the manner provided by ORS 677.097. Except as provided
19 in subsection (3) of this section, any other licensed health care provider or facility must seek the
20 informed consent of the individual or the individual's representative for the purposes of subsection
21 (1) of this section in a manner substantially similar to that provided by ORS 677.097 for physicians.

22 (3) A person conducting research shall seek the informed consent of the individual or the
23 individual's representative for the purposes of subsection (1) of this section in the manner provided
24 by ORS 192.547.

25 (4) Except as provided in ORS 746.135 (1), any person not described in subsection (2) or (3) of
26 this section must seek the informed consent of the individual or the individual's representative for
27 the purposes of subsection (1) of this section in the manner provided by rules adopted by the Oregon
28 [*Health Authority*] **Department of Health**.

29 (5) The Oregon [*Health Authority*] **Department of Health** may not adopt rules under subsection
30 (1)(d) of this section that would require the providing of a DNA sample for the purpose of obtaining
31 complete genetic information used to screen all newborns.

32 **SECTION 152.** ORS 192.537 is amended to read:

33 192.537. (1) Subject to the provisions of ORS 192.531 to 192.549, 659A.303 and 746.135, an
34 individual's genetic information and DNA sample are private and must be protected, and an indi-
35 vidual has a right to the protection of that privacy. Any person authorized by law or by an indi-
36 vidual or an individual's representative to obtain, retain or use an individual's genetic information
37 or any DNA sample must maintain the confidentiality of the information or sample and protect the
38 information or sample from unauthorized disclosure or misuse.

39 (2)(a) A person may use an individual's DNA sample or genetic information that is derived from
40 a biological specimen or clinical individually identifiable health information for anonymous research
41 or coded research only if the individual:

42 (A) Has granted informed consent for the specific anonymous research or coded research
43 project;

44 (B) Has granted consent for genetic research generally;

45 (C) Was notified in accordance with ORS 192.538 that the individual's biological specimen or

1 clinical individually identifiable health information may be used for anonymous research or coded
2 research and the individual did not, at the time of notification, request that the biological specimen
3 or clinical individually identifiable health information not be used for anonymous research or coded
4 research; or

5 (D) Was not notified, due to emergency circumstances, in accordance with ORS 192.538 that the
6 individual's biological specimen or clinical individually identifiable health information may be used
7 for anonymous research or coded research and the individual died before receiving the notice.

8 (b) Paragraph (a) of this subsection does not apply to biological specimens or clinical individ-
9 ually identifiable health information obtained before July 29, 2005, if an institutional review board
10 operating under ORS 192.547 (1)(b) meets the requirements described in ORS 192.547 (7)(b).

11 (3) A person may not retain another individual's genetic information or DNA sample without
12 first obtaining authorization from the individual or the individual's representative, unless:

13 (a) Retention is authorized by ORS 181A.155 or comparable provisions of federal criminal law
14 relating to identification of persons, or is necessary for the purpose of a criminal or death investi-
15 gation, a criminal or juvenile proceeding, an inquest, or a child fatality review by a county child
16 abuse multidisciplinary team;

17 (b) Retention is authorized by specific court order pursuant to rules adopted by the Chief Justice
18 of the Supreme Court for civil actions;

19 (c) Retention is permitted by rules of the Oregon [*Health Authority*] **Department of Health** for
20 identification of, or testing to benefit blood relatives of, deceased individuals;

21 (d) Retention is permitted by rules of the [*authority*] **department** for newborn screening proce-
22 dures; or

23 (e) Retention is for anonymous research or coded research conducted after notification or with
24 consent pursuant to subsection (2) of this section or ORS 192.538.

25 (4) The DNA sample of an individual from which genetic information has been obtained shall
26 be destroyed promptly upon the specific request of that individual or the individual's representative,
27 unless:

28 (a) Retention is authorized by ORS 181A.155 or comparable provisions of federal criminal law
29 relating to identification of persons, or is necessary for the purpose of a criminal or death investi-
30 gation, a criminal or juvenile proceeding, an inquest, or a child fatality review by a county child
31 abuse multidisciplinary team;

32 (b) Retention is authorized by specific court order pursuant to rules adopted by the Chief Justice
33 of the Supreme Court for civil actions; or

34 (c) Retention is for anonymous research or coded research conducted after notification or with
35 consent pursuant to subsection (2) of this section or ORS 192.538.

36 (5) A DNA sample from an individual that is the subject of a research project, other than an
37 anonymous research project, shall be destroyed promptly upon completion of the project or with-
38 drawal of the individual from the project, whichever occurs first, unless the individual or the
39 individual's representative directs otherwise by informed consent.

40 (6) A DNA sample from an individual for insurance or employment purposes shall be destroyed
41 promptly after the purpose for which the sample was obtained has been accomplished unless re-
42 tention is authorized by specific court order pursuant to rules adopted by the Chief Justice of the
43 Supreme Court for civil, criminal and juvenile proceedings.

44 (7) An individual or an individual's representative, promptly upon request, may inspect, request
45 correction of and obtain genetic information from the records of the individual.

1 (8) Subject to the provisions of ORS 192.531 to 192.549, and to policies adopted by the person
 2 in possession of a DNA sample, an individual or the individual's representative may request that the
 3 individual's DNA sample be made available for additional genetic testing for medical diagnostic
 4 purposes. If the individual is deceased and has not designated a representative to act on behalf of
 5 the individual after death, a request under this subsection may be made by the closest surviving
 6 blood relative of the decedent or, if there is more than one surviving blood relative of the same
 7 degree of relationship to the decedent, by the majority of the surviving closest blood relatives of the
 8 decedent.

9 (9) The Oregon [*Health Authority*] **Department of Health** shall coordinate the implementation
 10 of this section.

11 (10) Subsections (3) to (8) of this section apply only to a DNA sample or genetic information that
 12 is coded, identified or identifiable.

13 (11) This section does not apply to any law, contract or other arrangement that determines a
 14 person's rights to compensation relating to substances or information derived from an individual's
 15 DNA sample.

16 **SECTION 153.** ORS 192.539 is amended to read:

17 192.539. (1) Regardless of the manner of receipt or the source of genetic information, including
 18 information received from an individual or a blood relative of the individual, a person may not dis-
 19 close or be compelled, by subpoena or any other means, to disclose the identity of an individual upon
 20 whom a genetic test has been performed or the identity of a blood relative of the individual, or to
 21 disclose genetic information about the individual or a blood relative of the individual in a manner
 22 that permits identification of the individual, unless:

23 (a) Disclosure is authorized by ORS 181A.155 or comparable provisions of federal criminal law
 24 relating to identification of persons, or is necessary for the purpose of a criminal or death investi-
 25 gation, a criminal or juvenile proceeding, an inquest, or a child fatality review by a county child
 26 abuse multidisciplinary team;

27 (b) Disclosure is required by specific court order entered pursuant to rules adopted by the Chief
 28 Justice of the Supreme Court for civil actions;

29 (c) Disclosure is authorized by statute for the purpose of establishing parentage;

30 (d) Disclosure is specifically authorized by the tested individual or the tested individual's rep-
 31 resentative by signing a consent form prescribed by rules of the Oregon [*Health Authority*] **De-**
 32 **partment of Health**;

33 (e) Disclosure is for the purpose of furnishing genetic information relating to a decedent for
 34 medical diagnosis of blood relatives of the decedent; or

35 (f) Disclosure is for the purpose of identifying bodies.

36 (2) The prohibitions of this section apply to any redisclosure by any person after another person
 37 has disclosed genetic information or the identity of an individual upon whom a genetic test has been
 38 performed, or has disclosed genetic information or the identity of a blood relative of the individual.

39 (3) A release or publication is not a disclosure if:

40 (a) It involves a good faith belief by the person who caused the release or publication that the
 41 person was not in violation of this section;

42 (b) It is not due to willful neglect;

43 (c) It is corrected in the manner described in ORS 192.541 (4);

44 (d) The correction with respect to genetic information is completed before the information is
 45 read or heard by a third party; and

1 (e) The correction with respect to DNA samples is completed before the sample is retained or
2 genetically tested by a third party.

3 **SECTION 154.** ORS 192.547 is amended to read:

4 192.547. (1)(a) The Oregon [*Health Authority*] **Department of Health** shall adopt rules for con-
5 ducting research using DNA samples, genetic testing and genetic information. Rules establishing
6 minimum research standards shall conform to the Federal Policy for the Protection of Human Sub-
7 jects, 45 C.F.R. 46, that is current at the time the rules are adopted. The rules may be changed from
8 time to time as may be necessary.

9 (b) The rules adopted by the Oregon [*Health Authority*] **Department of Health** shall address the
10 operation and appointment of institutional review boards. The rules shall conform to the composi-
11 tional and operational standards for such boards contained in the Federal Policy for the Protection
12 of Human Subjects that is current at the time the rules are adopted. The rules must require that
13 research conducted under paragraph (a) of this subsection be conducted with the approval of the
14 institutional review board.

15 (c) Persons proposing to conduct anonymous research, coded research or genetic research that
16 is otherwise thought to be exempt from review must obtain from an institutional review board prior
17 to conducting such research a determination that the proposed research is exempt from review.

18 (2) A person proposing to conduct research under subsection (1) of this section, including
19 anonymous research or coded research, must disclose to the institutional review board the proposed
20 use of DNA samples, genetic testing or genetic information.

21 (3) The Oregon [*Health Authority*] **Department of Health** shall adopt rules requiring that all
22 institutional review boards operating under subsection (1)(b) of this section register with the de-
23 partment. The Advisory Committee on Genetic Privacy and Research shall use the registry to edu-
24 cate institutional review boards about the purposes and requirements of the genetic privacy statutes
25 and administrative rules relating to genetic research.

26 (4) The Oregon [*Health Authority*] **Department of Health** shall consult with the Advisory
27 Committee on Genetic Privacy and Research before adopting the rules required under subsections
28 (1) and (3) of this section, including rules identifying those parts of the Federal Policy for the Pro-
29 tection of Human Subjects that are applicable to this section.

30 (5) Genetic research in which the DNA sample or genetic information is coded shall satisfy the
31 following requirements:

32 (a)(A) The subject has granted informed consent for the specific research project;

33 (B) The subject has consented to genetic research generally; or

34 (C) The DNA sample or genetic information is derived from a biological specimen or from clin-
35 ical individually identifiable health information that was obtained or retained in compliance with
36 ORS 192.537 (2).

37 (b) The research has been approved by an institutional review board after disclosure by the in-
38 vestigator to the board of risks associated with the coding.

39 (c) The code is:

40 (A) Not derived from individual identifiers;

41 (B) Kept securely and separately from the DNA samples and genetic information; and

42 (C) Not accessible to the investigator unless specifically approved by the institutional review
43 board.

44 (d) Data is stored securely in password protected electronic files or by other means with access
45 limited to necessary personnel.

1 (e) The data is limited to elements required for analysis and meets the criteria in 45 C.F.R.
2 164.514(e) for a limited data set.

3 (f) The investigator is a party to the data use agreement as provided by 45 C.F.R. 164.514(e) for
4 limited data set recipients.

5 (6) Research conducted in accordance with this section is rebuttably presumed to comply with
6 ORS 192.535 and 192.539.

7 (7)(a) Notwithstanding ORS 192.535, a person may use a DNA sample or genetic information
8 obtained, with blanket informed consent, before June 25, 2001, for genetic research.

9 (b) Notwithstanding ORS 192.535, a person may use a DNA sample or genetic information ob-
10 tained without specific informed consent and derived from a biological specimen or clinical individ-
11 ually identifiable health information for anonymous research or coded research if an institutional
12 review board operating under subsection (1)(b) of this section:

13 (A) Waives or alters the consent requirements pursuant to the Federal Policy for the Protection
14 of Human Subjects; and

15 (B) Waives authorization pursuant to the federal Health Insurance Portability and Accountabil-
16 ity Act privacy regulations, 45 C.F.R. parts 160 and 164.

17 (c) Except as provided in subsection (5)(a) of this section or paragraph (b) of this subsection, a
18 person must have specific informed consent from an individual to use a DNA sample or genetic in-
19 formation of the individual obtained on or after June 25, 2001, for genetic research.

20 (8) Except as otherwise allowed by rule of the Oregon [*Health Authority*] **Department of**
21 **Health**, if DNA samples or genetic information obtained for either clinical or research purposes is
22 used in research, a person may not recontact the individual or the physician, physician assistant,
23 naturopathic physician or nurse practitioner of the individual by using research information that is
24 identifiable or coded. The Oregon [*Health Authority*] **Department of Health** shall adopt by rule
25 criteria for recontacting an individual or the physician, physician assistant, naturopathic physician
26 or nurse practitioner of an individual. In adopting the criteria, the department shall consider the
27 recommendations of national organizations such as those created by executive order by the Presi-
28 dent of the United States and the recommendations of the Advisory Committee on Genetic Privacy
29 and Research.

30 (9) The requirements for consent to, or notification of, obtaining a DNA sample or genetic in-
31 formation for genetic research are governed by the provisions of ORS 192.531 to 192.549 and the
32 administrative rules that were in effect on the effective date of the institutional review board's most
33 recent approval of the study.

34 **SECTION 155.** ORS 192.549 is amended to read:

35 192.549. (1) The Advisory Committee on Genetic Privacy and Research is established consisting
36 of 15 members. The President of the Senate and the Speaker of the House of Representatives shall
37 each appoint one member and one alternate. The Director of the Oregon [*Health Authority*] **De-**
38 **partment of Health** shall appoint one representative and one alternate from each of the following
39 categories:

40 (a) Academic institutions involved in genetic research;

41 (b) Physicians licensed under ORS chapter 677;

42 (c) Voluntary organizations involved in the development of public policy on issues related to
43 genetic privacy;

44 (d) Hospitals;

45 (e) The Department of Consumer and Business Services;

- 1 (f) The Oregon [*Health Authority*] **Department of Health**;
 2 (g) Health care service contractors involved in genetic and health services research;
 3 (h) The biosciences industry;
 4 (i) The pharmaceutical industry;
 5 (j) Health care consumers;
 6 (k) Organizations advocating for privacy of medical information;
 7 (L) Public members of institutional review boards; and
 8 (m) Organizations or individuals promoting public education about genetic research and genetic
 9 privacy and public involvement in policymaking related to genetic research and genetic privacy.
- 10 (2) Organizations and individuals representing the categories listed in subsection (1) of this
 11 section may recommend nominees for membership on the advisory committee to the President, the
 12 Speaker and the director.
- 13 (3) Members and alternate members of the advisory committee serve two-year terms and may
 14 be reappointed.
- 15 (4) Members and alternate members of the advisory committee serve at the pleasure of the ap-
 16 pointing entity.
- 17 (5) Notwithstanding ORS 171.072, members and alternate members of the advisory committee
 18 who are members of the Legislative Assembly are not entitled to mileage expenses or a per diem
 19 and serve as volunteers on the advisory committee. Other members and alternate members of the
 20 advisory committee are not entitled to compensation or reimbursement for expenses and serve as
 21 volunteers on the advisory committee.
- 22 (6) The Oregon [*Health Authority*] **Department of Health** shall provide staff for the advisory
 23 committee.
- 24 (7) The advisory committee shall report biennially to the Legislative Assembly in the manner
 25 provided by ORS 192.245. The report shall include the activities and the results of any studies con-
 26 ducted by the advisory committee. The advisory committee may make any recommendations for
 27 legislative changes deemed necessary by the advisory committee.
- 28 (8) The advisory committee shall study the use and disclosure of genetic information and shall
 29 develop and refine a legal framework that defines the rights of individuals whose DNA samples and
 30 genetic information are collected, stored, analyzed and disclosed.
- 31 (9) The advisory committee shall create opportunities for public education on the scientific, legal
 32 and ethical development within the fields of genetic privacy and research. The advisory committee
 33 shall also elicit public input on these matters. The advisory committee shall make reasonable efforts
 34 to obtain public input that is representative of the diversity of opinion on this subject. The advisory
 35 committee's recommendations to the Legislative Assembly shall take into consideration public con-
 36 cerns and values related to these matters.
- 37 **SECTION 156.** ORS 192.556 is amended to read:
 38 192.556. As used in ORS 192.553 to 192.581:
 39 (1) "Authorization" means a document written in plain language that contains at least the fol-
 40 lowing:
 41 (a) A description of the information to be used or disclosed that identifies the information in a
 42 specific and meaningful way;
 43 (b) The name or other specific identification of the person or persons authorized to make the
 44 requested use or disclosure;
 45 (c) The name or other specific identification of the person or persons to whom the covered entity

- 1 may make the requested use or disclosure;
- 2 (d) A description of each purpose of the requested use or disclosure, including but not limited
3 to a statement that the use or disclosure is at the request of the individual;
- 4 (e) An expiration date or an expiration event that relates to the individual or the purpose of the
5 use or disclosure;
- 6 (f) The signature of the individual or personal representative of the individual and the date;
- 7 (g) A description of the authority of the personal representative, if applicable; and
- 8 (h) Statements adequate to place the individual on notice of the following:
- 9 (A) The individual's right to revoke the authorization in writing;
- 10 (B) The exceptions to the right to revoke the authorization;
- 11 (C) The ability or inability to condition treatment, payment, enrollment or eligibility for benefits
12 on whether the individual signs the authorization; and
- 13 (D) The potential for information disclosed pursuant to the authorization to be subject to
14 redisclosure by the recipient and no longer protected.
- 15 (2) "Covered entity" means:
- 16 (a) A state health plan;
- 17 (b) A health insurer;
- 18 (c) A health care provider that transmits any health information in electronic form to carry out
19 financial or administrative activities in connection with a transaction covered by ORS 192.553 to
20 192.581; or
- 21 (d) A health care clearinghouse.
- 22 (3) "Health care" means care, services or supplies related to the health of an individual.
- 23 (4) "Health care operations" includes but is not limited to:
- 24 (a) Quality assessment, accreditation, auditing and improvement activities;
- 25 (b) Case management and care coordination;
- 26 (c) Reviewing the competence, qualifications or performance of health care providers or health
27 insurers;
- 28 (d) Underwriting activities;
- 29 (e) Arranging for legal services;
- 30 (f) Business planning;
- 31 (g) Customer services;
- 32 (h) Resolving internal grievances;
- 33 (i) Creating deidentified information; and
- 34 (j) Fundraising.
- 35 (5) "Health care provider" includes but is not limited to:
- 36 (a) A psychologist, occupational therapist, regulated social worker, professional counselor or
37 marriage and family therapist licensed or otherwise authorized to practice under ORS chapter 675
38 or an employee of the psychologist, occupational therapist, regulated social worker, professional
39 counselor or marriage and family therapist;
- 40 (b) A physician or physician assistant licensed under ORS chapter 677, an acupuncturist licensed
41 under ORS 677.759 or an employee of the physician, physician assistant or acupuncturist;
- 42 (c) A nurse or nursing home administrator licensed under ORS chapter 678 or an employee of
43 the nurse or nursing home administrator;
- 44 (d) A dentist licensed under ORS chapter 679 or an employee of the dentist;
- 45 (e) A dental hygienist or denturist licensed under ORS chapter 680 or an employee of the dental

- 1 hygienist or denturist;
- 2 (f) A speech-language pathologist or audiologist licensed under ORS chapter 681 or an employee
3 of the speech-language pathologist or audiologist;
- 4 (g) An emergency medical services provider licensed under ORS chapter 682;
- 5 (h) An optometrist licensed under ORS chapter 683 or an employee of the optometrist;
- 6 (i) A chiropractic physician licensed under ORS chapter 684 or an employee of the chiropractic
7 physician;
- 8 (j) A naturopathic physician licensed under ORS chapter 685 or an employee of the naturopathic
9 physician;
- 10 (k) A massage therapist licensed under ORS 687.011 to 687.250 or an employee of the massage
11 therapist;
- 12 (L) A direct entry midwife licensed under ORS 687.405 to 687.495 or an employee of the direct
13 entry midwife;
- 14 (m) A physical therapist licensed under ORS 688.010 to 688.201 or an employee of the physical
15 therapist;
- 16 (n) A medical imaging licensee under ORS 688.405 to 688.605 or an employee of the medical
17 imaging licensee;
- 18 (o) A respiratory care practitioner licensed under ORS 688.815 or an employee of the respiratory
19 care practitioner;
- 20 (p) A polysomnographic technologist licensed under ORS 688.819 or an employee of the poly-
21 somnographic technologist;
- 22 (q) A pharmacist licensed under ORS chapter 689 or an employee of the pharmacist;
- 23 (r) A dietitian licensed under ORS 691.405 to 691.485 or an employee of the dietitian;
- 24 (s) A funeral service practitioner licensed under ORS chapter 692 or an employee of the funeral
25 service practitioner;
- 26 (t) A health care facility as defined in ORS 442.015;
- 27 (u) A home health agency as defined in ORS 443.014;
- 28 (v) A hospice program as defined in ORS 443.850;
- 29 (w) A clinical laboratory as defined in ORS 438.010;
- 30 (x) A pharmacy as defined in ORS 689.005; and
- 31 (y) Any other person or entity that furnishes, bills for or is paid for health care in the normal
32 course of business.
- 33 (6) "Health information" means any oral or written information in any form or medium that:
- 34 (a) Is created or received by a covered entity, a public health authority, an employer, a life
35 insurer, a school, a university or a health care provider that is not a covered entity; and
- 36 (b) Relates to:
- 37 (A) The past, present or future physical or mental health or condition of an individual;
- 38 (B) The provision of health care to an individual; or
- 39 (C) The past, present or future payment for the provision of health care to an individual.
- 40 (7) "Health insurer" means an insurer as defined in ORS 731.106 who offers:
- 41 (a) A health benefit plan as defined in ORS 743B.005;
- 42 (b) A short term health insurance policy, the duration of which does not exceed three months
43 including renewals;
- 44 (c) A student health insurance policy;
- 45 (d) A Medicare supplemental policy; or

- 1 (e) A dental only policy.
- 2 (8) “Individually identifiable health information” means any oral or written health information
3 in any form or medium that is:
- 4 (a) Created or received by a covered entity, an employer or a health care provider that is not
5 a covered entity; and
- 6 (b) Identifiable to an individual, including demographic information that identifies the individual,
7 or for which there is a reasonable basis to believe the information can be used to identify an indi-
8 vidual, and that relates to:
- 9 (A) The past, present or future physical or mental health or condition of an individual;
- 10 (B) The provision of health care to an individual; or
- 11 (C) The past, present or future payment for the provision of health care to an individual.
- 12 (9) “Payment” includes but is not limited to:
- 13 (a) Efforts to obtain premiums or reimbursement;
- 14 (b) Determining eligibility or coverage;
- 15 (c) Billing activities;
- 16 (d) Claims management;
- 17 (e) Reviewing health care to determine medical necessity;
- 18 (f) Utilization review; and
- 19 (g) Disclosures to consumer reporting agencies.
- 20 (10) “Personal representative” includes but is not limited to:
- 21 (a) A person appointed as a guardian under ORS 125.305, 419B.372, 419C.481 or 419C.555 with
22 authority to make medical and health care decisions;
- 23 (b) A person appointed as a health care representative under ORS 127.505 to 127.660 or a rep-
24 resentative under ORS 127.700 to 127.737 to make health care decisions or mental health treatment
25 decisions;
- 26 (c) A person appointed as a personal representative under ORS chapter 113; and
- 27 (d) A person described in ORS 192.573.
- 28 (11)(a) “Protected health information” means individually identifiable health information that is
29 maintained or transmitted in any form of electronic or other medium by a covered entity.
- 30 (b) “Protected health information” does not mean individually identifiable health information in:
- 31 (A) Education records covered by the federal Family Educational Rights and Privacy Act (20
32 U.S.C. 1232g);
- 33 (B) Records described at 20 U.S.C. 1232g(a)(4)(B)(iv); or
- 34 (C) Employment records held by a covered entity in its role as employer.
- 35 (12) “State health plan” means:
- 36 (a) Medical assistance as defined in ORS 414.025;
- 37 (b) The Cover All People program; or
- 38 (c) Any medical assistance or premium assistance program operated by the Oregon [*Health Au-*
39 *thority*] **Department of Health**.
- 40 (13) “Treatment” includes but is not limited to:
- 41 (a) The provision, coordination or management of health care; and
- 42 (b) Consultations and referrals between health care providers.
- 43 **SECTION 157.** ORS 192.582 is amended to read:
- 44 192.582. (1) As used in this section:
- 45 (a) “Bedbug” means a member of the Cimicidae family of parasitic insects.

(b) "Public health authority" means:

(A) A local public health authority, as defined in ORS 431.003; or

(B) The Oregon *[Health Authority]* **Department of Health**.

(2) The following information reported by pest control operators to a public health authority must be maintained confidentially and is not subject to disclosure under ORS 192.311 to 192.478:

(a) The location of a site where a pesticide intended to prevent, destroy, repel or mitigate an infestation of bedbugs has been applied or is to be applied;

(b) The identity of any person who owns, rents or leases property at the site described in paragraph (a) of this subsection; and

(c) Any information describing or pertaining to the infestation or suspected infestation at the site described in paragraph (a) of this subsection.

(3) Nothing in this section prevents a public health authority from publishing statistical compilations or reports relating to reportable disease investigations if the compilations or reports do not identify individual cases or sources of information.

SECTION 158. ORS 192.588 is amended to read:

192.588. (1) Upon the request of the Department of Human Services or the Oregon *[Health Authority]* **Department of Health** and the receipt of the certification required under subsection (2) of this section, a financial institution shall advise whether a person has one or more accounts with the financial institution, and if so, the balance on deposit in each such account on the date this information is provided.

(2) In requesting information under subsection (1) of this section, the Department of **Human Services** or *[authority]* **the Oregon Department of Health** shall specify the name and Social Security number of the person upon whom the account information is sought, and shall certify to the financial institution in writing, signed by an agent of *[the department or authority]* **of either department**:

(a) That the person upon whom account information is sought is an applicant for or recipient of public assistance, as defined in ORS 411.010, or medical assistance, as defined in ORS 414.025; and

(b) That the Department of **Human Services** or *[authority]* **Oregon Department of Health** has authorization from the person for release of the account information.

(3) Any financial institution supplying account information under ORS 192.583 to 192.588 and 411.632 shall be reimbursed for actual costs incurred.

(4) No financial institution that supplies account information to the Department of **Human Services** or *[authority]* **Oregon Department of Health** pursuant to this section shall be liable to any person for any loss, damage or injury arising out of or in any way pertaining to the disclosure of account information under this section.

(5) Each financial institution that is requested to supply account information under this section may specify to the Department of **Human Services** or *[authority]* **Oregon Department of Health** that requests for account information and responses from the financial institution shall be submitted in written, tape or electronic format. A reasonable time shall be provided the financial institution for response.

(6) The Department of **Human Services** or *[authority]* **Oregon Department of Health** shall seek account information under this section only with respect to persons who are applicants for or recipients of public assistance, as defined in ORS 411.010, or medical assistance, as defined in ORS 414.025.

SECTION 159. ORS 192.589 is amended to read:

1 192.589. (1) At any time after an individual dies, the Department of Human Services or the
2 Oregon [*Health Authority*] **Department of Health** may deliver to a financial institution the written
3 notice and request described in subsection (2) of this section.

4 (2) A written notice and request under this section must:

5 (a) Include the name, last known address and Social Security number of the deceased individual;

6 (b) State the date of the deceased individual's death;

7 (c) State that the deceased individual received public assistance or medical assistance that was
8 subject to a claim for reimbursement under ORS 411.640, 411.708, 411.795 or 416.350; and

9 (d) Request that the financial institution provide all or any part of the following information to
10 the department or the [*authority*]:

11 (A) Whether the financial institution held on the date of the deceased individual's death any
12 deposit account in the deceased individual's name or in more than one name, one of which is the
13 deceased individual's name;

14 (B) The balance on deposit in each deposit account described in subparagraph (A) of this para-
15 graph on the date of the deceased individual's death;

16 (C) The name of each person to whom the financial institution disbursed funds from a deposit
17 account described in subparagraph (A) of this paragraph on or after the date of the deceased
18 individual's death, if the financial institution closed the deposit account on or after the date of the
19 deceased individual's death;

20 (D) A record of the activity in each of the deposit accounts described in subparagraph (A) of this
21 paragraph in the period that begins 30 days before the date of the deceased individual's death and
22 ends on the date of the deceased individual's death;

23 (E) A copy of any affidavit or declaration the financial institution received under ORS 708A.430
24 or 723.466; and

25 (F) The name and address of any person named as an owner of a deposit account described in
26 subparagraph (A) of this paragraph, if the financial institution has the information in the financial
27 institution's records.

28 (3) The Department of Human Services or the [*authority*] **Oregon Department of Health** may
29 submit an affidavit or declaration under ORS 708A.430 or 723.466 at the same time the department
30 [*or authority*] submits a notice and request under subsection (2) of this section.

31 (4) [*The department and the authority*] **Each department** shall reimburse a financial institution
32 as provided in ORS 192.602 for all reasonable costs and expenses the financial institution incurs to
33 provide information in response to a notice and request under subsection (2) of this section.

34 **SECTION 160.** ORS 192.630 is amended to read:

35 192.630. (1) All meetings of the governing body of a public body shall be open to the public and
36 all persons shall be permitted to attend any meeting except as otherwise provided by ORS 192.610
37 to 192.690.

38 (2) A quorum of a governing body may not meet in private for the purpose of deciding on or
39 deliberating toward a decision on any matter except as otherwise provided by ORS 192.610 to
40 192.690.

41 (3) A governing body may not hold a meeting at any place where discrimination on the basis
42 of race, color, creed, sex, sexual orientation, gender identity, national origin, age or disability is
43 practiced. However, the fact that organizations with restricted membership hold meetings at the
44 place does not restrict its use by a public body if use of the place by a restricted membership or-
45 ganization is not the primary purpose of the place or its predominant use.

1 (4)(a) Meetings of the governing body of a public body shall be held:

2 (A) Within the geographic boundaries over which the public body has jurisdiction;

3 (B) At the administrative headquarters of the public body;

4 (C) At the nearest practical location; or

5 (D) If the public body is a state, county, city or special district entity, within Indian country of
6 a federally recognized Oregon Indian tribe that is within the geographic boundaries of this state.
7 For purposes of this subparagraph, "Indian country" has the meaning given that term in 18 U.S.C.
8 1151.

9 (b) Training sessions may be held outside the jurisdiction as long as no deliberations toward a
10 decision are involved.

11 (c) A joint meeting of two or more governing bodies or of one or more governing bodies and the
12 elected officials of one or more federally recognized Oregon Indian tribes shall be held within the
13 geographic boundaries over which one of the participating public bodies or one of the Oregon Indian
14 tribes has jurisdiction or at the nearest practical location.

15 (d) Meetings may be held in locations other than those described in this subsection in the event
16 of an actual emergency necessitating immediate action.

17 (5)(a) It is discrimination on the basis of disability for a governing body of a public body to meet
18 in a place inaccessible to persons with disabilities, or, upon request of a person who is deaf or hard
19 of hearing, to fail to make a good faith effort to have an interpreter for persons who are deaf or
20 hard of hearing provided at a regularly scheduled meeting. The sole remedy for discrimination on
21 the basis of disability shall be as provided in ORS 192.680.

22 (b) The person requesting the interpreter shall give the governing body at least 48 hours' notice
23 of the request for an interpreter, shall provide the name of the requester, sign language preference
24 and any other relevant information the governing body may request.

25 (c) If a meeting is held upon less than 48 hours' notice, reasonable effort shall be made to have
26 an interpreter present, but the requirement for an interpreter does not apply to emergency meetings.

27 (d) If certification of interpreters occurs under state or federal law, the Oregon [*Health Au-*
28 *thority*] **Department of Health** or other state or local agency shall try to refer only certified in-
29 terpreters to governing bodies for purposes of this subsection.

30 (e) As used in this subsection, "good faith effort" includes, but is not limited to, contacting the
31 department or other state or local agency that maintains a list of qualified interpreters and ar-
32 ranging for the referral of one or more qualified interpreters to provide interpreter services.

33 **SECTION 161.** ORS 197.746 is amended to read:

34 197.746. (1) Inside an urban growth boundary, a local government may authorize the establish-
35 ment of transitional housing accommodations used as individual living units by one or more indi-
36 viduals. Use of transitional housing accommodations is limited to individuals who lack permanent
37 or safe shelter and who cannot be placed in other low income housing. A local government may limit
38 the maximum amount of time that an individual or a family may use the accommodations.

39 (2) Transitional housing accommodations are intended to be used by individuals or families on
40 a limited basis for seasonal, emergency or transitional housing purposes and may include yurts, huts,
41 cabins, fabric structures, tents and similar accommodations, as well as areas in parking lots or fa-
42 cilities for individuals or families to reside overnight in a motor vehicle, without regard to whether
43 the motor vehicle was designed for use as temporary living quarters. The transitional housing ac-
44 commodated may provide parking facilities, walkways and access to water, toilet, shower, laundry,
45 cooking, telephone or other services either through separate or shared facilities. The Oregon [*Health*

1 *Authority*] **Department of Health** may develop public health best practices for shared health and
2 sanitation facilities for transitional housing accommodations.

3 (3) Transitional housing accommodations are not subject to ORS chapter 90.

4 (4) As used in this section, “yurt” means a round, domed tent of canvas or other weather re-
5 sistant material, having a rigid framework, wooden floor, one or more windows or skylights and that
6 may have plumbing, electrical service or heat.

7 **SECTION 162.** ORS 198.792 is amended to read:

8 198.792. (1) Proceedings may be initiated by the county board or any other public agency in
9 accordance with ORS 431.705 to 431.760:

10 (a) To annex the affected territory to a district, as defined by ORS 431.705; or

11 (b) To form a metropolitan service district as authorized by ORS chapter 268, or a county ser-
12 vice district as authorized by ORS chapter 451, to include the affected territory.

13 (2) The findings of the Director of the Oregon [*Health Authority*] **Department of Health** when
14 filed with the county board in accordance with ORS 431.735 or 431.750 shall be considered a petition
15 for the purposes of ORS 198.705 to 198.955. The county board of the principal county shall conduct
16 proceedings in accordance with the findings and order of the director and with ORS 198.705 to
17 198.955.

18 (3) In proceedings described by subsection (1) of this section, the county board shall determine
19 whether the affected territory shall be included in a new district or annexed to an existing district.
20 The county board shall not inquire into the need for the proposed service facilities or adjust the
21 boundaries of the affected territory. ORS 198.805 (2), and the provisions of ORS 198.810 and 198.815
22 providing for an election on the formation of or annexation to a district, do not apply to proceedings
23 under this section.

24 **SECTION 163.** ORS 199.461 is amended to read:

25 199.461. (1) When the boundary commission receives a petition in a boundary change proceeding
26 or an application for any proceeding allowed under ORS 199.464, it shall:

27 (a) Cause a study to be made of the proposal.

28 (b) Conduct one or more public hearings on the proposal.

29 (2) After the study and hearings, the boundary commission may alter the boundaries set out in
30 a petition for formation or a minor boundary change of a city or district or in a petition for con-
31 solidation of cities so as either to include or exclude territory. If the commission determines that
32 any land has been improperly omitted from the proposal and that the owner of the land has not
33 appeared at the hearing, in person or by a representative designated in writing, the commission shall
34 continue the hearing on the petition and shall order notice given to the nonappearing owner re-
35 quiring appearance of the owner before the commission to show cause, if any, why the land should
36 not be included in the proposal. For minor boundary change modifications, notice to nonappearing
37 owners may be given by personal service or by letter sent by first-class mail, at least 10 days prior
38 to the date to which the hearing has been continued. For major boundary change modifications,
39 notice to nonappearing owners may be given by personal service, by letter sent by first-class mail
40 or by a legal advertisement in a newspaper of general circulation in the area at least 15 days prior
41 to the date to which the hearing has been continued. The required notice may be waived by the
42 nonappearing owner.

43 (3) After the study and hearings the boundary commission may alter the application for
44 extraterritorial sewer or water line extensions to include or exclude line and connections thereto,
45 and may alter the application for formation of a privately owned sewer or water system or allo-

1 cation of territory to a community water supply system to include or exclude territory. If the com-
2 mission determines that any land has been improperly omitted from a proposal to form a private
3 water or sewer system or allocate territory to a community water system, or that any line or con-
4 nections have been improperly omitted from a proposal to extend extraterritorially a water or sewer
5 line, and that the owner of the property to be included or to which the line is being extended has
6 not appeared at the hearing, in person or by a representative designated in writing, the commission
7 shall continue the hearing on the proposal and shall order notice given to the nonappearing owner
8 requiring appearance of the owner before the commission to show cause, if any, why the land or line
9 or connection should not be included in the proposal. Notice to nonappearing owners may be given
10 by personal service or by letter sent by first-class mail, at least 10 days prior to the date to which
11 the hearing has been continued. The required notice may be waived by the nonappearing owner.

12 (4) On the basis of the study and on the basis of the facts presented at the hearing, the boundary
13 commission shall approve the proposed boundary change or application under ORS 199.464 as pre-
14 sented or as modified by the commission or disapprove the proposed change, by an order stating the
15 reasons for the decision of the commission. Jurisdiction for judicial review of such an order is con-
16 ferred upon the Court of Appeals. Except as provided in ORS 183.315 (1), any person interested in
17 a boundary change may petition for judicial review of the order under ORS 183.482.

18 (5) Immediately after the effective date of a final order entered under subsection (4) of this
19 section and a proclamation declaring a minor boundary change approved if any is entered under
20 ORS 199.505 (3), the commission shall file a copy of the order and proclamation, if any, with the
21 Secretary of State, the Department of Revenue, the assessor and the county clerk of each county in
22 which the affected territory, city or district is located, and the clerk of the affected city or district.
23 If the commission disapproves a minor boundary change, it shall send a copy of the final order to
24 the person who actually filed the petition and to the affected city or district.

25 (6) Immediately after the effective date of a final order on an application under ORS 199.464, the
26 commission shall file a copy of the order with the applicant, the Oregon [*Health Authority*] **De-**
27 **partment of Health**, the Department of Environmental Quality and the county planning department.

28 **SECTION 164.** ORS 199.490 is amended to read:

29 199.490. (1) A proceeding for a minor boundary change other than a transfer of territory may
30 be initiated:

31 (a) By resolution of the governing body of the affected city or district;

32 (b) By petition signed by 10 percent of the electors registered in the affected territory;

33 (c) By petition signed by the owners of at least one-half the land area in the affected territory;

34 (d) By resolution of a boundary commission having jurisdiction of the affected territory; or

35 (e) When the minor boundary change is a withdrawal of a city from a district, by resolution of
36 the governing body of the city, which shall be an affected city for the purposes of ORS 199.410 to
37 199.534.

38 (2)(a)(A) An annexation proceeding may also be initiated by a resolution adopted by the gov-
39 erning body of the affected city or district upon receiving consent to annex their land in writing
40 from more than half of the owners of land in the territory proposed to be annexed, who also own
41 more than half of the land in the territory proposed to be annexed and of real property therein
42 representing more than half of the assessed value of all real property in the territory proposed to
43 be annexed.

44 (B) A resolution adopted by the governing body of the affected city or district upon receiving
45 written consent to annexation from a majority of the electors registered in the territory proposed

1 to be annexed and written consent to the annexation of their land from the owners of more than
 2 half the land in the territory proposed to be annexed.

3 (b) However, before soliciting statements of consent for the purpose of authorizing an
 4 annexation under a proceeding initiated as provided by this subsection, the governing body of the
 5 affected city or district shall file a notice of intent to annex with the boundary commission having
 6 jurisdiction of the affected territory. The notice of intent to annex shall name the affected city or
 7 district and generally describe the boundaries of the territory sought to be annexed, which territory
 8 must be contiguous to the city or district or separated from it only by a public right of way or a
 9 stream, bay, lake or other body of water. The notice of intent to annex shall have attached to it a
 10 county assessor's cadastral map showing the location of the affected territory that the city or dis-
 11 trict proposes to annex.

12 (c) For the purpose of this subsection, consent need not be obtained for any land in a public
 13 way included within or contiguous to the territory proposed to be annexed. However, land in such
 14 a public way shall, as determined by the commission, be considered annexed to the affected city or
 15 district if the minor boundary change is approved, regardless of the land's ownership, size or as-
 16 sessed valuation.

17 (d) For the purpose of this subsection, consent need not be obtained for any real property that
 18 is publicly owned, is the right of way for a public utility, telecommunications utility or railroad or
 19 is exempt from ad valorem taxation unless the owner of such property files a statement consenting
 20 to or opposing annexation with the legislative body of the annexing city or district on or before the
 21 date the city or district adopts the resolution required by paragraph (a) of this subsection.

22 (e) As used in this subsection, "owner" has the additional meaning given that term in ORS
 23 222.120 (7).

24 (3) A transfer of territory proceeding may be initiated:

- 25 (a) By joint resolution of the governing bodies of the affected districts or cities;
- 26 (b) By petition signed by 10 percent of the electors registered in the affected territory;
- 27 (c) By petition signed by the owners of at least one-half the land area in the affected territory;

28 or

29 (d) By resolution of a boundary commission having jurisdiction of the affected territory.

30 (4) The petition or resolution shall:

- 31 (a) Name the affected city or district and state whether it is proposed to annex, withdraw or
 32 transfer territory;
- 33 (b) Describe the boundaries of the affected territory;
- 34 (c) If the proposal concerns a district, designate the applicable principal Act;
- 35 (d) Have attached a county assessor's cadastral map showing the location of the affected terri-
 36 tory; and
- 37 (e) Be filed with the boundary commission having jurisdiction of the affected territory.

38 (5) When a city annexation is initiated:

39 (a) As provided by ORS 222.750 the petition proposing the annexation shall be filed with the
 40 boundary commission having jurisdiction of the annexation.

41 (b) As provided by ORS 222.840 to 222.915, the findings adopted by the Director of the Oregon
 42 [Health Authority] **Department of Health** under ORS 222.880 shall be considered the initiatory
 43 action and a certified copy of the findings shall be filed with the boundary commission having ju-
 44 risdiction of the annexation, at the same time a copy of the finding is filed with the affected city.

45 (6) Except when a boundary change is initiated by an affected city or district under subsection

1 (1), (2), (3) or (5) of this section or by the director as provided by subsection (5)(b) of this section,
2 the boundary commission shall notify the affected city or district that a petition has been filed or
3 that the commission has adopted a resolution. If the petition complies with the requirements of the
4 applicable statutes, the commission shall proceed as provided by ORS 199.460 to 199.463 and 199.490
5 to 199.519.

6 (7) Unless the parties appearing at a hearing for a minor boundary change or application under
7 ORS 199.464 agree to a postponement of the adoption of a final order, a final order approving or
8 disapproving a minor boundary change must be adopted within 90 days after the date the petition,
9 resolution or application is filed with the commission. If a final order approving or disapproving a
10 minor boundary change is not adopted within 90 days after the petition, resolution or application is
11 filed or within the period of postponement, the petition, resolution or application shall be considered
12 approved by the commission. A postponement shall not be for a period exceeding one year from the
13 date the petition, resolution or application initiating the proposal is filed with the commission.

14 **SECTION 165.** ORS 199.495 is amended to read:

15 199.495. In a proceeding initiated as provided by ORS 199.490 (2) and (5):

16 (1) If the proposed annexation is approved by the commission, the final order shall be effective
17 at the time specified in the final order except that the effective date for an annexation initiated as
18 provided by ORS 199.490 (5) shall not be more than one year after the date the final order is adopted
19 and for an annexation initiated as provided by ORS 199.490 (2) shall not be more than 10 years after
20 the date the final order is adopted. If no effective date is specified in the final order, the order shall
21 take effect on the date the order is adopted. The order shall not be subject to ORS 199.505.

22 (2) ORS 222.883 to 222.896, 222.900 (1) and (3) and 222.915 do not apply to proceedings initiated
23 by the findings of the Director of the Oregon [*Health Authority*] **Department of Health**.

24 **SECTION 166.** ORS 199.512 is amended to read:

25 199.512. (1) The findings of the Director of the Oregon [*Health Authority*] **Department of Health**
26 filed with a boundary commission in accordance with ORS 431.740 or 431.750 shall be considered a
27 petition for the purposes of ORS 199.410 to 199.534. When the findings of the director are filed with
28 a commission, it shall proceed in accordance with the findings and with ORS 199.410 to 199.534, but
29 the commission shall not inquire into the need for the proposed facilities or adjust the boundaries
30 of the affected territory.

31 (2) In proceedings described by subsection (1) of this section, the boundary commission shall
32 determine whether the affected territory shall be included in a new city, new metropolitan service
33 district or new county service district or annexed to an existing district. The final order of the
34 commission shall conclude the proceedings for all purposes; and the formation or annexation ap-
35 proved and ordered by the commission shall take effect 45 days after the date the commission adopts
36 the final order in the proceeding.

37 **SECTION 167.** ORS 215.449 is amended to read:

38 215.449. (1) As used in this section:

39 (a) "Agri-tourism or other commercial events" includes outdoor concerts for which admission is
40 charged, educational, cultural, health or lifestyle events, facility rentals, celebratory gatherings and
41 other events at which the promotion of malt beverages produced in conjunction with the farm
42 brewery is a secondary purpose of the event.

43 (b) "Brewer" means a person who makes malt beverages.

44 (c) "Farm brewery" means a facility, located on or contiguous to a hop farm, used primarily for
45 the commercial production, shipping and distribution, wholesale or retail sales, or tasting of malt

1 beverages made with ingredients grown on the hop farm.

2 (d) "Hop farm" means a tract of land planted with hops.

3 (e) "Malt beverage" has the meaning given that term in ORS 471.001.

4 (f) "On-site retail sale" includes the retail sale of malt beverages in person at the farm brewery
5 site, through a club or over the Internet or telephone.

6 (2)(a) A farm brewery may be established as a permitted use on land zoned for exclusive farm
7 use under ORS 215.213 (1)(bb) and 215.283 (1)(z) or on land zoned for mixed farm and forest use if
8 the farm brewery:

9 (A) Produces less than 150,000 barrels of malt beverages annually, inclusive of malt beverages
10 produced by the farm brewery's owners or operators at the farm brewery or elsewhere, through any
11 entity owned or affiliated with the farm brewery;

12 (B) Produces less than 15,000 barrels of malt beverages annually on the farm brewery site; and

13 (C)(i) Owns an on-site hop farm of at least 15 acres;

14 (ii) Owns a contiguous hop farm of at least 15 acres;

15 (iii) Has a long-term contract for the purchase of all of the hops from at least 15 acres of a hop
16 farm contiguous to the farm brewery; or

17 (iv) Obtains hops from a total of 15 acres from any combination of sources described in sub-
18 subparagraph (i), (ii) or (iii) of this subparagraph.

19 (b) For purposes of this subsection, land planted with other ingredients used in malt beverages
20 produced by the farm brewery counts towards the acreage minimums.

21 (3) In addition to any other activities authorized for a farm brewery, a farm brewery established
22 under this section may:

23 (a) Market malt beverages produced in conjunction with the farm brewery.

24 (b) Conduct operations that are directly related to the sale or marketing of malt beverages
25 produced in conjunction with the farm brewery, including:

26 (A) Malt beverage tastings in a tasting room or other location on the premises occupied by the
27 farm brewery;

28 (B) Malt beverage club activities;

29 (C) Brewer luncheons and dinners;

30 (D) Farm brewery and hop farm tours;

31 (E) Meetings or business activities with farm brewery suppliers, distributors, wholesale custom-
32 ers and malt beverage industry members;

33 (F) Farm brewery staff activities;

34 (G) Open house promotions of malt beverages produced in conjunction with the farm brewery;
35 and

36 (H) Similar activities conducted for the primary purpose of promoting malt beverages produced
37 in conjunction with the farm brewery.

38 (c) Market and sell items directly related to the sale or promotion of malt beverages produced
39 in conjunction with the farm brewery, the marketing and sale of which is incidental to on-site retail
40 sale of malt beverages, including food and beverages:

41 (A) Required to be made available in conjunction with the consumption of malt beverages on the
42 premises by the Liquor Control Act or rules adopted under the Liquor Control Act; or

43 (B) Served in conjunction with an activity authorized by paragraph (b), (d) or (e) of this sub-
44 section.

45 (d) Subject to subsections (6) to (9) of this section, carry out agri-tourism or other commercial

1 events on the tract occupied by the farm brewery.

2 (e) Host charitable activities for which the farm brewery does not charge a facility rental fee.

3 (f) Site a bed and breakfast as a home occupation on the same tract as, and in association with,
4 the farm brewery.

5 (4) A farm brewery may include on-site kitchen facilities licensed by the Oregon [*Health Au-*
6 *thority*] **Department of Health** under ORS 624.010 to 624.121 for the preparation of food and
7 beverages described in subsection (3)(c) of this section. Food and beverage services authorized under
8 subsection (3)(c) of this section may not utilize menu options or meal services that cause the kitchen
9 facilities to function as a cafe or other dining establishment open to the public.

10 (5)(a) The gross income of the farm brewery from the sale of incidental items or services pro-
11 vided pursuant to subsection (3)(c) to (e) of this section may not exceed 25 percent of the gross in-
12 come from the on-site retail sale of malt beverages produced in conjunction with the farm brewery.
13 The gross income of a farm brewery does not include income received by third parties unaffiliated
14 with the farm brewery.

15 (b) At the request of a local government with land use jurisdiction over the site of a farm
16 brewery, the farm brewery shall submit to the local government a written statement prepared by a
17 certified public accountant that certifies the compliance of the farm brewery with this subsection
18 for the previous tax year.

19 (6) Except as provided by subsections (7) and (8) of this section, a farm brewery may carry out
20 agri-tourism or other commercial events described in subsection (3)(d) of this section for up to 18
21 days per calendar year.

22 (7) A farm brewery in the Willamette Valley may carry out agri-tourism or other commercial
23 events as provided in subsection (6) of this section, provided:

24 (a) Events on the first six days of the 18-day limit per calendar year are authorized by the local
25 government through the issuance of a renewable multiyear license that:

26 (A) Has a term of five years; and

27 (B) Is subject to an administrative review to determine necessary conditions pursuant to sub-
28 section (8) of this section.

29 (b) The local government's decision on a license under paragraph (a) of this subsection is not:

30 (A) A land use decision, as defined in ORS 197.015, and is not subject to review by the Land
31 Use Board of Appeals.

32 (B) A permit, as defined in ORS 215.402 or 227.160.

33 (c) Events on days seven through 18 of the 18-day limit per calendar year are authorized by the
34 local government through the issuance of a renewable multiyear permit that:

35 (A) Has a term of five years;

36 (B) Is subject to an administrative review to determine necessary conditions pursuant to sub-
37 section (8) of this section; and

38 (C) Is subject to notice as specified in ORS 215.416 (11) or 227.175 (10).

39 (d) The local government's decision on a permit under paragraph (c) of this subsection is:

40 (A) A land use decision, as defined in ORS 197.015, and is subject to review by the Land Use
41 Board of Appeals.

42 (B) A permit, as defined in ORS 215.402 or 227.160.

43 (8)(a) A local government with land use jurisdiction over the site of a farm brewery shall ensure
44 that agri-tourism or other commercial events occurring as described in subsection (3)(d) of this sec-
45 tion are subordinate to the production and sale of malt beverages and do not create significant ad-

1 verse impacts to uses on surrounding land.

2 (b) A local government may impose conditions on a license or permit issued pursuant to sub-
3 section (7) of this section as necessary to meet the requirements of paragraph (a) of this subsection.

4 The conditions must be related to:

5 (A) The number of event attendees;

6 (B) The hours of event operation;

7 (C) Access and parking;

8 (D) Traffic management;

9 (E) Noise management; and

10 (F) Sanitation and solid waste.

11 (9) A local government may charge a fee for processing a license or permit under subsections
12 (6) and (7) of this section. The fee may not exceed the actual or average cost of providing the ap-
13 plicable licensing or permitting service.

14 (10) When a bed and breakfast facility is sited as a home occupation on the same tract as a farm
15 brewery as described in subsection (3)(f) of this section:

16 (a) The bed and breakfast facility may prepare and serve two meals per day to the registered
17 guests of the bed and breakfast facility; and

18 (b) The meals may be served at the bed and breakfast facility or at the farm brewery.

19 (11) A farm brewery operating under this section shall provide parking for all activities or uses
20 of the tract on which the farm brewery is situated.

21 (12) A local government with land use jurisdiction over the site of a farm brewery shall ensure
22 that the farm brewery complies with:

23 (a) Local criteria regarding floodplains, geologic hazards, the Willamette River Greenway, solar
24 access and airport safety;

25 (b) Regulations of general applicability for the public health and safety; and

26 (c) Regulations for resource protection acknowledged to comply with any statewide goal relating
27 to open spaces, scenic and historic areas and natural resources.

28 (13)(a) For the purpose of limiting demonstrated conflicts with accepted farm and forest prac-
29 tices on adjacent lands, a local government with land use jurisdiction over the site of a farm
30 brewery shall:

31 (A) Except as provided in paragraph (b) of this subsection, establish a setback of at least 100
32 feet from all property lines for the farm brewery and all public gathering places; and

33 (B) Require farm breweries to provide direct road access and internal circulation for the farm
34 brewery and all public gathering places.

35 (b) A local government may allow a setback of less than 100 feet by granting a farm brewery
36 an adjustment or variance to the requirement described in paragraph (a)(A) of this subsection.

37 **SECTION 168.** ORS 215.451 is amended to read:

38 215.451. (1) As used in this section:

39 (a) "Agri-tourism or other commercial events" includes outdoor concerts for which admission is
40 charged, educational, cultural, health or lifestyle events, facility rentals, celebratory gatherings and
41 other events at which the promotion of cider produced in conjunction with the cider business is a
42 secondary purpose of the event.

43 (b)(A) "Cider" means an alcoholic beverage made from the fermentation of the juice of apples
44 or pears.

45 (B) "Cider" includes but is not limited to flavored cider, sparkling cider and carbonated cider.

1 (c) "Cider business" means a facility used primarily for the commercial production, shipping and
 2 distribution, wholesale or retail sales, tasting, crushing, making, blending, storage, bottling, admin-
 3 istrative functions or warehousing of cider.

4 (d) "Cidermaker" means a person who makes cider.

5 (e) "On-site retail sale" includes the retail sale of cider in person at the cider business site,
 6 through a cider club or over the Internet or telephone.

7 (f) "Orchard" means a piece of land planted with apple or pear trees.

8 (2) A cider business may be established as a permitted use on land zoned for exclusive farm use
 9 under ORS 215.213 (1)(aa) and 215.283 (1)(y) or on land zoned for mixed farm and forest use if the
 10 cider business produces:

11 (a) Less than 100,000 gallons of cider annually and the cider business:

12 (A) Owns an on-site orchard of at least 15 acres;

13 (B) Owns a contiguous orchard of at least 15 acres;

14 (C) Has a long-term contract for the purchase of all of the apples or pears from at least 15 acres
 15 of an orchard contiguous to the cider business; or

16 (D) Obtains apples or pears from any combination of subparagraph (A), (B) or (C) of this para-
 17 graph; or

18 (b) At least 100,000 gallons of cider annually and the cider business:

19 (A) Owns an on-site orchard of at least 40 acres;

20 (B) Owns a contiguous orchard of at least 40 acres;

21 (C) Has a long-term contract for the purchase of all of the apples or pears from at least 40 acres
 22 of an orchard contiguous to the cider business;

23 (D) Owns an on-site orchard of at least 15 acres on a tract of at least 40 acres and owns at least
 24 40 additional acres of orchards in Oregon that are located within 15 miles of the cider business site;
 25 or

26 (E) Obtains apples or pears from any combination of subparagraph (A), (B), (C) or (D) of this
 27 paragraph.

28 (3) In addition to any other activities authorized for a cider business, a cider business estab-
 29 lished under this section may:

30 (a) Market cider produced in conjunction with the cider business.

31 (b) Conduct operations that are directly related to the sale or marketing of cider produced in
 32 conjunction with the cider business, including:

33 (A) Cider tastings in a tasting room or other location on the premises occupied by the cider
 34 business;

35 (B) Cider club activities;

36 (C) Cidermaker luncheons and dinners;

37 (D) Cider business and orchard tours;

38 (E) Meetings or business activities with cider business suppliers, distributors, wholesale cus-
 39 tomers and cider industry members;

40 (F) Cider business staff activities;

41 (G) Open house promotions of cider produced in conjunction with the cider business; and

42 (H) Similar activities conducted for the primary purpose of promoting cider produced in con-
 43 junction with the cider business.

44 (c) Market and sell items directly related to the sale or promotion of cider produced in con-
 45 junction with the cider business, the marketing and sale of which is incidental to on-site retail sale

1 of cider, including food and beverages:

2 (A) Required to be made available in conjunction with the consumption of cider on the premises
3 by the Liquor Control Act or rules adopted under the Liquor Control Act; or

4 (B) Served in conjunction with an activity authorized by paragraph (b), (d) or (e) of this sub-
5 section.

6 (d) Subject to subsections (6) to (9) of this section, carry out agri-tourism or other commercial
7 events on the tract occupied by the cider business.

8 (e) Host charitable activities for which the cider business does not charge a facility rental fee.

9 (f) Site a bed and breakfast as a home occupation on the same tract, and in association with,
10 the cider business.

11 (4) A cider business may include on-site kitchen facilities licensed by the Oregon [*Health Au-*
12 *thority*] **Department of Health** under ORS 624.010 to 624.121 for the preparation of food and
13 beverages described in subsection (3)(c) of this section. Food and beverage services authorized under
14 subsection (3)(c) of this section may not utilize menu options or meal services that cause the kitchen
15 facilities to function as a cafe or other dining establishment open to the public.

16 (5)(a) The gross income of the cider business from the sale of incidental items or services pro-
17 vided pursuant to subsection (3)(c) to (e) of this section may not exceed 25 percent of the gross in-
18 come from the on-site retail sale of cider produced in conjunction with the cider business. The gross
19 income of a cider business does not include income received by third parties unaffiliated with the
20 cider business.

21 (b) At the request of a local government with land use jurisdiction over the site of a cider
22 business, the cider business shall submit to the local government a written statement prepared by
23 a certified public accountant that certifies the compliance of the cider business with this subsection
24 for the previous tax year.

25 (6) Except as provided by subsections (7) and (8) of this section, a cider business may carry out
26 agri-tourism or other commercial events described in subsection (3)(d) of this section for up to 18
27 days per calendar year.

28 (7) A cider business in the Willamette Valley may carry out agri-tourism or other commercial
29 events as provided in subsection (6) of this section, provided:

30 (a) Events on the first six days of the 18-day limit per calendar year are authorized by the local
31 government through the issuance of a renewable multi-year license that:

32 (A) Has a term of five years; and

33 (B) Is subject to an administrative review to determine necessary conditions pursuant to sub-
34 section (8) of this section.

35 (b) The local government's decision on a license under paragraph (a) of this subsection is not:

36 (A) A land use decision, as defined in ORS 197.015, and is not subject to review by the Land
37 Use Board of Appeals.

38 (B) A permit, as defined in ORS 215.402 or 227.160.

39 (c) Events on days seven through 18 of the 18-day limit per calendar year are authorized by the
40 local government through the issuance of a renewable multi-year permit that:

41 (A) Has a term of five years;

42 (B) Is subject to an administrative review to determine necessary conditions pursuant to sub-
43 section (8) of this section; and

44 (C) Is subject to notice as specified in ORS 215.416 (11) or 227.175 (10).

45 (d) The local government's decision on a permit under paragraph (c) of this subsection is:

1 (A) A land use decision, as defined in ORS 197.015, and is subject to review by the Land Use
2 Board of Appeals.

3 (B) A permit, as defined in ORS 215.402 or 227.160.

4 (8)(a) A local government with land use jurisdiction over the site of a cider business shall ensure
5 that agri-tourism or other commercial events occurring as described in subsection (3)(d) of this sec-
6 tion are subordinate to the production and sale of cider and do not create significant adverse im-
7 pacts to uses on surrounding land.

8 (b) A local government may impose conditions on a license or permit issued pursuant to sub-
9 section (7) of this section as necessary to meet the requirements of paragraph (a) of this subsection.
10 The conditions must be related to:

11 (A) The number of event attendees;

12 (B) The hours of event operation;

13 (C) Access and parking;

14 (D) Traffic management;

15 (E) Noise management; and

16 (F) Sanitation and solid waste.

17 (9) A local government may charge a fee for processing a license or permit under subsections
18 (6) and (7) of this section. The fee may not exceed the actual or average cost of providing the ap-
19 plicable licensing or permitting service.

20 (10) When a bed and breakfast facility is sited as a home occupation on the same tract as a cider
21 business as described in subsection (3)(f) of this section:

22 (a) The bed and breakfast facility may prepare and serve two meals per day to the registered
23 guests of the bed and breakfast facility; and

24 (b) The meals may be served at the bed and breakfast facility or at the cider business.

25 (11) A cider business operating under this section shall provide parking for all activities or uses
26 of the lot, parcel or tract on which the cider business is situated.

27 (12) A local government with land use jurisdiction over the site of a cider business shall ensure
28 that the cider business complies with:

29 (a) Local criteria regarding floodplains, geologic hazards, the Willamette River Greenway, solar
30 access and airport safety;

31 (b) Regulations of general applicability for the public health and safety; and

32 (c) Regulations for resource protection acknowledged to comply with any statewide goal re-
33 specting open spaces, scenic and historic areas and natural resources.

34 (13)(a) For the purpose of limiting demonstrated conflicts with accepted farm and forest prac-
35 tices on adjacent lands, a local government with land use jurisdiction over the site of a cider busi-
36 ness shall:

37 (A) Except as provided in paragraph (b) of this subsection, establish a setback of at least 100
38 feet from all property lines for the cider business and all public gathering places; and

39 (B) Require cider businesses to provide direct road access and internal circulation for the cider
40 business and all public gathering places.

41 (b) A local government may allow a setback of less than 100 feet by granting a cider business
42 an adjustment or variance to the requirement described in paragraph (a)(A) of this subsection.

43 **SECTION 169.** ORS 215.452 is amended to read:

44 215.452. (1) A winery may be established as a permitted use on land zoned for exclusive farm
45 use under ORS 215.213 (1)(p) and 215.283 (1)(n) or on land zoned for mixed farm and forest use if the

- 1 winery produces wine with a maximum annual production of:
- 2 (a) Less than 50,000 gallons and:
- 3 (A) Owns an on-site vineyard of at least 15 acres;
- 4 (B) Owns a contiguous vineyard of at least 15 acres;
- 5 (C) Has a long-term contract for the purchase of all of the grapes from at least 15 acres of a
- 6 vineyard contiguous to the winery; or
- 7 (D) Obtains grapes from any combination of subparagraph (A), (B) or (C) of this paragraph; or
- 8 (b) At least 50,000 gallons and the winery:
- 9 (A) Owns an on-site vineyard of at least 40 acres;
- 10 (B) Owns a contiguous vineyard of at least 40 acres;
- 11 (C) Has a long-term contract for the purchase of all of the grapes from at least 40 acres of a
- 12 vineyard contiguous to the winery;
- 13 (D) Owns an on-site vineyard of at least 15 acres on a tract of at least 40 acres and owns at
- 14 least 40 additional acres of vineyards in Oregon that are located within 15 miles of the winery site;
- 15 or
- 16 (E) Obtains grapes from any combination of subparagraph (A), (B), (C) or (D) of this paragraph.
- 17 (2) In addition to producing and distributing wine, a winery established under this section may:
- 18 (a) Market and sell wine produced in conjunction with the winery.
- 19 (b) Conduct operations that are directly related to the sale or marketing of wine produced in
- 20 conjunction with the winery, including:
- 21 (A) Wine tastings in a tasting room or other location on the premises occupied by the winery;
- 22 (B) Wine club activities;
- 23 (C) Winemaker luncheons and dinners;
- 24 (D) Winery and vineyard tours;
- 25 (E) Meetings or business activities with winery suppliers, distributors, wholesale customers and
- 26 wine-industry members;
- 27 (F) Winery staff activities;
- 28 (G) Open house promotions of wine produced in conjunction with the winery; and
- 29 (H) Similar activities conducted for the primary purpose of promoting wine produced in con-
- 30 junction with the winery.
- 31 (c) Market and sell items directly related to the sale or promotion of wine produced in con-
- 32 junction with the winery, the marketing and sale of which is incidental to on-site retail sale of wine,
- 33 including food and beverages:
- 34 (A) Required to be made available in conjunction with the consumption of wine on the premises
- 35 by the Liquor Control Act or rules adopted under the Liquor Control Act; or
- 36 (B) Served in conjunction with an activity authorized by paragraph (b), (d) or (e) of this sub-
- 37 section.
- 38 (d) Carry out agri-tourism or other commercial events on the tract occupied by the winery
- 39 subject to subsections (5), (6), (7) and (8) of this section.
- 40 (e) Host charitable activities for which the winery does not charge a facility rental fee.
- 41 (3) A winery may include on-site kitchen facilities licensed by the Oregon *[Health Authority]*
- 42 **Department of Health** under ORS 624.010 to 624.121 for the preparation of food and beverages
- 43 described in subsection (2)(c) of this section. Food and beverage services authorized under sub-
- 44 section (2)(c) of this section may not utilize menu options or meal services that cause the kitchen
- 45 facilities to function as a cafe or other dining establishment open to the public.

1 (4) The gross income of the winery from the sale of incidental items or services provided pur-
2 suant to subsection (2)(c) to (e) of this section may not exceed 25 percent of the gross income from
3 the on-site retail sale of wine produced in conjunction with the winery. The gross income of a
4 winery does not include income received by third parties unaffiliated with the winery. At the request
5 of a local government with land use jurisdiction over the site of a winery, the winery shall submit
6 to the local government a written statement that is prepared by a certified public accountant and
7 certifies the compliance of the winery with this subsection for the previous tax year.

8 (5) A winery may carry out up to 18 days of agri-tourism or other commercial events annually
9 on the tract occupied by the winery.

10 (6) For events described in subsection (5) of this section for a winery in the Willamette Valley:

11 (a) Events on the first six days of the 18-day limit per calendar year must be authorized by the
12 local government through the issuance of a renewable multi-year license that:

13 (A) Has a term of five years; and

14 (B) Is subject to an administrative review to determine necessary conditions pursuant to sub-
15 section (7) of this section.

16 (b) The local government's decision on a license under paragraph (a) of this subsection is not:

17 (A) A land use decision, as defined in ORS 197.015, and is not subject to review by the Land
18 Use Board of Appeals.

19 (B) A permit, as defined in ORS 215.402 or 227.160.

20 (c) Events on days seven through 18 of the 18-day limit per calendar year must be authorized
21 by the local government through the issuance of a renewable multi-year permit that:

22 (A) Has a term of five years;

23 (B) Is subject to an administrative review to determine necessary conditions pursuant to sub-
24 section (7) of this section; and

25 (C) Is subject to notice as specified in ORS 215.416 (11) or 227.175 (10).

26 (d) The local government's decision on a permit under paragraph (c) of this subsection is:

27 (A) A land use decision, as defined in ORS 197.015, and is subject to review by the Land Use
28 Board of Appeals.

29 (B) A permit, as defined in ORS 215.402 or 227.160.

30 (7) As necessary to ensure that agri-tourism or other commercial events on a tract occupied by
31 a winery are subordinate to the production and sale of wine and do not create significant adverse
32 impacts to uses on surrounding land, the local government may impose conditions on a license or
33 permit issued pursuant to subsection (6) of this section related to:

34 (a) The number of event attendees;

35 (b) The hours of event operation;

36 (c) Access and parking;

37 (d) Traffic management;

38 (e) Noise management; and

39 (f) Sanitation and solid waste.

40 (8) A local government may charge a fee for processing a license or permit under subsections
41 (6) and (7) of this section. A fee may not exceed the actual or average cost of providing the appli-
42 cable licensing or permitting service.

43 (9) A winery operating under this section shall provide parking for all activities or uses of the
44 lot, parcel or tract on which the winery is established.

45 (10) Prior to the issuance of a permit to establish a winery under this section, the applicant shall

1 show that vineyards described in subsection (1) of this section have been planted or that the con-
2 tract has been executed, as applicable.

3 (11) A local government shall apply the standards described in this subsection. Standards im-
4 posed on the siting of a winery shall be limited solely to each of the following for the sole purpose
5 of limiting demonstrated conflicts with accepted farming or forest practices on adjacent lands:

6 (a) Establishment of a setback of at least 100 feet from all property lines for the winery and all
7 public gathering places unless the local government grants an adjustment or variance allowing a
8 setback of less than 100 feet; and

9 (b) Provision of direct road access and internal circulation.

10 (12) A local government shall apply:

11 (a) Local criteria regarding floodplains, geologic hazards, the Willamette River Greenway, solar
12 access and airport safety;

13 (b) Regulations of general applicability for the public health and safety; and

14 (c) Regulations for resource protection acknowledged to comply with any statewide goal re-
15 specting open spaces, scenic and historic areas and natural resources.

16 (13) When a bed and breakfast facility is sited as a home occupation on the same tract as a
17 winery established under this section and in association with the winery:

18 (a) The bed and breakfast facility may prepare and serve two meals per day to the registered
19 guests of the bed and breakfast facility; and

20 (b) The meals may be served at the bed and breakfast facility or at the winery.

21 (14) As used in this section:

22 (a) "Agri-tourism or other commercial events" includes outdoor concerts for which admission is
23 charged, educational, cultural, health or lifestyle events, facility rentals, celebratory gatherings and
24 other events at which the promotion of wine produced in conjunction with the winery is a secondary
25 purpose of the event.

26 (b) "On-site retail sale" includes the retail sale of wine in person at the winery site, through a
27 wine club or over the Internet or telephone.

28 **SECTION 170.** ORS 222.120 is amended to read:

29 222.120. (1) Except when expressly required to do so by the city charter, the legislative body
30 of a city is not required to submit a proposal for annexation of territory to the electors of the city
31 for their approval or rejection.

32 (2) When the legislative body of the city elects to dispense with submitting the question of the
33 proposed annexation to the electors of the city, the legislative body of the city shall fix a day for
34 a public hearing before the legislative body at which time the electors of the city may appear and
35 be heard on the question of annexation.

36 (3) The city legislative body shall cause notice of the hearing to be published once each week
37 for two successive weeks prior to the day of hearing, in a newspaper of general circulation in the
38 city, and shall cause notices of the hearing to be posted in four public places in the city for a like
39 period.

40 (4) After the hearing, the city legislative body may, by an ordinance containing a legal de-
41 scription of the territory in question:

42 (a) Declare that the territory is annexed to the city upon the condition that the majority of the
43 votes cast in the territory is in favor of annexation;

44 (b) Declare that the territory is annexed to the city where electors or landowners in the con-
45 tiguous territory consented in writing to such annexation, as provided in ORS 222.125 or 222.170,

1 prior to the public hearing held under subsection (2) of this section; or

2 (c) Declare that the territory is annexed to the city where the Oregon [*Health Authority*] **De-**
3 **partment of Health**, prior to the public hearing held under subsection (1) of this section, has issued
4 a finding that a danger to public health exists because of conditions within the territory as provided
5 by ORS 222.840 to 222.915.

6 (5) If the territory described in the ordinance issued under subsection (4) of this section is a part
7 less than the entire area of a district named in ORS 222.510, the ordinance may also declare that
8 the territory is withdrawn from the district on the effective date of the annexation or on any sub-
9 sequent date specified in the ordinance. However, if the affected district is a district named in ORS
10 222.465, the effective date of the withdrawal of territory shall be determined as provided in ORS
11 222.465.

12 (6) The ordinance referred to in subsection (4) of this section is subject to referendum.

13 (7) For the purpose of this section, ORS 222.125 and 222.170, “owner” or “landowner” means the
14 legal owner of record or, where there is a recorded land contract which is in force, the purchaser
15 thereunder. If there is a multiple ownership in a parcel of land each consenting owner shall be
16 counted as a fraction to the same extent as the interest of the owner in the land bears in relation
17 to the interest of the other owners and the same fraction shall be applied to the parcel’s land mass
18 and assessed value for purposes of the consent petition. If a corporation owns land in territory
19 proposed to be annexed, the corporation shall be considered the individual owner of that land.

20 **SECTION 171.** ORS 222.850 is amended to read:

21 222.850. As used in ORS 222.840 to 222.915, unless the context requires otherwise:

22 (1) “Affected territory” means an area within the urban growth boundary of a city and which
23 is otherwise eligible for annexation to that city and in which there exists an actual or alleged dan-
24 ger to public health.

25 [(2) “*Authority*” means the Oregon Health Authority.]

26 [(3)] (2) “City council” means the legislative body of a city.

27 [(4)] (3) “Commission” means the Environmental Quality Commission.

28 [(5)] (4) “Danger to public health” means a condition which is conducive to the propagation of
29 communicable or contagious disease-producing organisms and which presents a reasonably clear
30 possibility that the public generally is being exposed to disease-caused physical suffering or illness,
31 including a condition such as:

32 (a) Impure or inadequate domestic water.

33 (b) Inadequate installations for the disposal or treatment of sewage, garbage or other contam-
34 inated or putrefying waste.

35 (c) Inadequate improvements for drainage of surface water and other fluid substances.

36 [(6) “*Director*” means the Director of the Oregon Health Authority.]

37 [(7)] (5) “District” means any one of the following:

38 (a) A metropolitan service district formed under ORS chapter 268.

39 (b) A county service district formed under ORS chapter 451.

40 (c) A sanitary district formed under ORS 450.005 to 450.245.

41 (d) A sanitary authority, water authority or joint water and sanitary authority formed under
42 ORS 450.600 to 450.989.

43 (e) A domestic water supply district formed under ORS chapter 264.

44 [(8)] (6) “Local board of health” means a local public health authority, as defined in ORS
45 431.003.

1 **SECTION 172.** ORS 222.860 is amended to read:

2 222.860. (1) The city council of any city shall adopt a resolution containing a proposal for
3 annexation without vote or consent in the affected territory. The proposal may contain terms of
4 annexation as provided in ORS 222.111 and shall:

5 (a) Describe the boundaries of the affected territory; and

6 (b) Describe the conditions alleged to be causing a danger to public health.

7 (2) The governing body of any district having jurisdiction over the affected territory may adopt
8 a resolution containing a proposal for annexation to the city without vote or consent in the affected
9 territory. The proposal shall:

10 (a) Describe the boundaries of the affected territory; and

11 (b) Describe the conditions alleged to be causing a danger to public health.

12 (3) The local board of health having jurisdiction shall verify the conditions alleged in the pro-
13 posal to be causing a danger to public health, based upon its knowledge of those conditions.

14 (4) The council or governing body shall cause a certified copy of the resolution together with
15 verification by the local board of health having jurisdiction, to be forwarded to the Oregon [*Health*
16 *Authority*] **Department of Health** and shall request the [*authority*] **department** to ascertain
17 whether conditions dangerous to public health exist in the affected territory.

18 **SECTION 173.** ORS 222.870 is amended to read:

19 222.870. (1) Upon receipt of the certified copy of the resolution, and verification by the local
20 board of health having jurisdiction, the Oregon [*Health Authority*] **Department of Health** shall re-
21 view and investigate conditions in the affected territory. If [*it*] **the Oregon Department of Health**
22 finds substantial evidence that a danger to public health exists in the territory, [*it*] **the department**
23 shall issue an order for a hearing to be held within the affected territory, or at a place near the
24 affected territory if there is no suitable place within that territory at which to hold the hearing, not
25 sooner than 30 days from the date of the order.

26 (2) Upon issuance of an order for a hearing, the [*authority*] **department** shall immediately give
27 notice of the resolution and order by publishing them in a newspaper of general circulation within
28 the city and the affected territory once each week for two successive weeks and by posting copies
29 of the order in four public places within the affected territory.

30 **SECTION 174.** ORS 222.875 is amended to read:

31 222.875. (1) The hearing shall be for the sole purpose of determining whether a danger to public
32 health exists due to conditions in the affected territory. It may be conducted by one or more mem-
33 bers of the staff of the Oregon [*Health Authority*] **Department of Health** to whom authority to
34 conduct such a hearing is delegated. It shall proceed in accordance with rules which may be es-
35 tablished by the [*authority*] **department**. Any person who may be affected by the finding, including
36 residents of the city, may be heard. Within 60 days following the hearing, the person conducting the
37 hearing shall prepare and submit to the [*authority*] **department** written findings of fact and recom-
38 mendations based thereon. The [*authority*] **department** shall publish a notice of the issuance of such
39 findings and recommendations in the newspaper utilized for the notice of hearing under ORS 222.870,
40 advising of the opportunity for presentation of a petition under subsection (2) of this section.

41 (2) Within 15 days after the publication of notice of issuance of findings in accordance with
42 subsection (1) of this section any person who may be affected by the findings, including residents
43 of the city, or the affected city, may petition the Director of the Oregon [*Health Authority*] **De-**
44 **partment of Health** according to rules of the [*authority*] **department** to present written or oral
45 arguments on the proposal. If a petition is received the director may set a time and place for receipt

1 of argument.

2 **SECTION 175.** ORS 222.880 is amended to read:

3 222.880. (1) Within 30 days following the final hearing of any arguments received by petition
4 under the provisions of ORS 222.875 (2) the Director of the Oregon [*Health Authority*] **Department**
5 **of Health** shall review the arguments and the findings and recommendations of the person con-
6 ducting the hearing as provided in ORS 222.875 (2). If the director finds no danger to public health
7 exists because of conditions within the affected territory, the director shall issue an order termi-
8 nating the proceedings under ORS 222.840 to 222.915 with reference to the affected territory.

9 (2) If the director finds that a danger to public health exists because of conditions within the
10 affected territory, the director shall file a certified copy of findings with the city and, except where
11 the condition causing the danger to public health is impure or inadequate domestic water, with the
12 Environmental Quality Commission.

13 (3) If the director determines that a danger to public health exists because of conditions within
14 only part of the affected territory, the director may, upon petition and hearing, reduce the bounda-
15 ries of the affected territory to that part of the territory that presents a danger if the area to be
16 excluded would not be surrounded by the affected territory remaining to be annexed and would not
17 be directly served by the sanitary, water or other facilities necessary to remove or alleviate the
18 danger to public health existing within the affected territory remaining to be annexed. The findings
19 shall describe the boundaries of the affected territory as reduced by the Director **of the Oregon**
20 **Department of Health**. The director shall file a certified copy of findings with the city and, except
21 where the condition causing the danger to public health is impure or inadequate domestic water, the
22 commission.

23 (4) In determining whether to exclude any area the director may consider whether or not such
24 exclusion would unduly interfere with the removal or alleviation of the danger to public health in
25 the affected territory remaining to be annexed and whether the exclusion would result in an illogical
26 boundary for the extension of services normally provided by an incorporated city.

27 (5) The city shall, when requested, aid in the determinations made under subsections (3) and (4)
28 of this section and, if necessary, cause a study to be made.

29 (6) Notwithstanding ORS 222.111 (3), the director, in implementing an order under ORS 222.840
30 to 222.915, may allow the use of the tax differential authorized by ORS 222.111 (3) for a period not
31 exceeding 15 years with the consent of the affected city.

32 **SECTION 176.** ORS 222.883 is amended to read:

33 222.883. At any time after the Director of the Oregon [*Health Authority*] **Department of Health**
34 under ORS 222.880 finds that conditions dangerous to public health exist, the Oregon [*Health Au-*
35 *thority*] **Department of Health** may order further proceedings on the findings filed under ORS
36 222.880 halted in order to allow a city, district or persons affected by the findings to develop and
37 propose an alternative plan to annexation for the removal or alleviation of the conditions dangerous
38 to public health. Proceedings may be stayed under this section for not longer than 30 days.

39 **SECTION 177.** ORS 222.885 is amended to read:

40 222.885. (1)(a) Within 60 days after the Director of the Oregon [*Health Authority*] **Department**
41 **of Health** finds, pursuant to ORS 222.880, that conditions dangerous to public health exist, not less
42 than 51 percent of the electors registered in the affected territory may file a petition with the
43 Oregon [*Health Authority*] **Department of Health** proposing an alternative plan to annexation to
44 the city for removal or alleviation of the conditions dangerous to public health.

45 (b) The petition shall state the intent of the residents to seek:

1 (A) Annexation to an existing district authorized by law to provide facilities within the affected
 2 territory necessary to remove or alleviate the dangerous conditions;

3 (B) With the approval of the city or district, extraterritorial extension of a city's or district's
 4 sewer or water lines; or

5 (C) Approval of a plan other than annexation or extraterritorial extension.

6 (c) The petition must be accompanied by a proposed plan stating any facilities to be constructed,
 7 a proposed means of financing the facilities and an estimate of the time required to construct the
 8 facilities and place them in operation.

9 (2)(a) Within 30 days after the Director **of the Oregon Department of Health** finds, pursuant
 10 to ORS 222.880, that conditions dangerous to public health exist, the city council or the governing
 11 body of any district having jurisdiction over the affected territory may file with the [authority]
 12 **Oregon Department of Health** a validly adopted resolution proposing an alternative plan to
 13 annexation to the city for removal or alleviation of the conditions dangerous to public health.

14 (b) The resolution must be accompanied by a proposed plan stating any facilities to be con-
 15 structed, a proposed means of financing the facilities and an estimate of the time required to con-
 16 struct the facilities and place them in operation.

17 (3) Upon receipt of a petition or resolution under this section, the [authority] **Oregon Depart-**
 18 **ment of Health** shall:

19 (a) Immediately forward copies of the petition or resolution to the city or district referred to in
 20 the petition or resolution, and, except where the condition causing the danger to public health is
 21 impure or inadequate domestic water, to the Environmental Quality Commission.

22 (b) Order further proceedings on the findings filed under ORS 222.880 stayed, pending the review
 23 permitted under ORS 222.890 and this section.

24 **SECTION 178.** ORS 222.890 is amended to read:

25 222.890. (1) An alternative plan proposed pursuant to ORS 222.885 shall be reviewed by the
 26 Oregon [Health Authority] **Department of Health** in cases where danger to public health is caused
 27 by impure or inadequate domestic water and in all other cases by the Environmental Quality Com-
 28 mission. The plan shall be approved or rejected by the [authority] **Oregon Department of Health**
 29 or commission. In reviewing the alternative plan contained in the petition, the [authority] **Oregon**
 30 **Department of Health** or commission shall consider whether, in its judgment, the plan contains a
 31 preferable alternative for the alleviation or removal of the conditions dangerous to public health.

32 (2)(a) With respect to an alternative plan proposed in a petition filed under ORS 222.885 (1), if
 33 the [authority] **Oregon Department of Health** or commission determines that annexation to the city
 34 provides the best and most expeditious method of removing or alleviating the dangerous conditions,
 35 the alternative plan shall be rejected and further proceedings on the finding filed under ORS 222.880
 36 shall resume.

37 (b) With respect to an alternative plan proposed in a resolution filed under ORS 222.885 (2), if
 38 the [authority] **department** or commission determines that annexation to the city provides the best,
 39 most expeditious and most cost-effective method of removing or alleviating the dangerous conditions,
 40 the alternative plan shall be rejected and further proceedings on the finding filed under ORS 222.880
 41 shall resume.

42 (3) If the [authority] **Oregon Department of Health** or commission finds that the alternative
 43 plan provides a preferable method of alleviating or removing the dangerous conditions, the
 44 petitioners or appropriate governing body shall have six months within which to present to the
 45 [authority] **department** or commission information showing:

1 (a) That the territory in which the conditions dangerous to public health exist:

2 (A) Has received approval for the extension of a city's or district's sewer or water lines within
 3 the territory or has annexed to a district authorized by law to provide facilities necessary to remove
 4 or alleviate the dangerous conditions, and that financing of the facilities for extension of such fa-
 5 cilities to the territory has been assured; or

6 (B) Has taken substantial steps to implement the alternative plan.

7 (b) Detailed plans and specifications for the construction of any proposed facilities.

8 (c) A time schedule for the construction of any proposed facilities.

9 (d) That proposed facilities, if constructed, will remove or alleviate the conditions dangerous to
 10 public health in a manner as satisfactory and expeditious as would be accomplished by the proposed
 11 annexation to the city.

12 (4)(a) The [authority] **Oregon Department of Health** or commission shall review the final plan
 13 proposed by the petitioners, city or district and shall promptly certify whether the requirements of
 14 subsection (3) of this section have been met.

15 (b) If the requirements have been met, the [authority] **department** shall certify the alternative
 16 plan. Further annexation proceedings on the findings filed under ORS 222.880 shall be suspended and
 17 the city shall be so notified.

18 (c) If the requirements of subsection (3) of this section have not been met or whenever the [au-
 19 thority] **department** or commission determines that the requirements of the certified plan are not
 20 being satisfied, further proceedings on the findings filed under ORS 222.880 shall resume.

21 **SECTION 179.** ORS 222.897 is amended to read:

22 222.897. (1) Upon receipt of a certified copy of the findings of the Oregon [Health Authority]
 23 **Department of Health** under ORS 222.880, the city council shall cause a study to be made and
 24 preliminary plans and specifications developed for the sanitary, water or other facilities necessary
 25 to remove or alleviate the conditions causing a danger to public health. The council shall prepare
 26 a schedule setting out the steps necessary to put the plan into operation and the time required for
 27 each step in the implementation of the plan. A copy of the plans and specifications and the time
 28 schedule shall, in the case where the danger to public health is caused by impure or inadequate
 29 domestic water, be submitted to the [authority] **department** and in all other cases to the Environ-
 30 mental Quality Commission.

31 (2) If the city within 90 days, fails to complete the requirements in subsection (1) of this section,
 32 the [authority] **Oregon Department of Health** shall conduct the necessary studies and prepare
 33 plans and other documents required for the consideration of the proposal and the final determination
 34 of the proceedings. The expense of the study and preparation of the plans and other documents shall
 35 be paid by the city upon vouchers properly certified by the Director of the Oregon [Health
 36 Authority] **Department of Health**.

37 **SECTION 180.** ORS 222.900 is amended to read:

38 222.900. (1) Subject to subsection (2) of this section, upon receipt of the certified copy of the
 39 finding as provided in ORS 222.880 (2) or (3) and certification of approval of plans under ORS
 40 222.898, the city council shall adopt an ordinance which shall:

41 (a) Contain the legal description of the territory annexed;

42 (b) Contain the terms of the annexation, if any, made under ORS 222.111;

43 (c) Adopt the plans, specifications and time schedule as approved by the Oregon [Health Au-
 44 thority] **Department of Health** or Environmental Quality Commission; and

45 (d) Declare the territory annexed to the city in accordance with ORS 222.840 to 222.915.

1 (2) An ordinance shall not be enacted as provided in subsection (1) of this section until the ex-
2 piration of the time for appeal under the provisions of ORS 222.896 and, in the event an appeal is
3 filed, following the determination of that appeal.

4 (3) If the [authority] **Oregon Department of Health** makes its finding under ORS 222.880 (3),
5 the city shall not annex a greater area than that described in the finding. The recorder, or other
6 officer performing the duties of the recorder, shall transmit a transcript to the Secretary of State,
7 including certified copies of the resolution required in ORS 222.860, the finding of the Director of
8 the Oregon [Health Authority] **Department of Health**, and the ordinance proclaiming annexation
9 of the territory.

10 (4) If the city council adopts the ordinance of annexation as provided in subsection (1) of this
11 section, it shall within one year thereafter prepare plans and specifications for the sanitary, water
12 or other facilities proposed to be provided in the annexed area, in compliance with ORS 448.115 to
13 448.285 or 468B.055 and shall then proceed in accordance with the time schedule to construct or
14 install these facilities. The commission shall use its powers of enforcement under ORS 448.305,
15 454.010 to 454.040, 454.205 to 454.255, 454.505 to 454.535, 454.605 to 454.755, and ORS chapters 468,
16 468A and 468B to insure that the facilities are constructed or installed in conformance with the
17 approved plans and schedule. The manner of financing the cost of the facilities shall be determined
18 by the city council.

19 **SECTION 181.** ORS 222.905 is amended to read:

20 222.905. (1) If a local board of health believes that a danger to public health exists within a
21 territory within its jurisdiction that is otherwise eligible for annexation in accordance with ORS
22 222.111, the board shall proceed in the same manner as a city is authorized to proceed under ORS
23 222.860.

24 (2)(a) Forty percent of the residents of territory otherwise eligible for annexation in accordance
25 with ORS 222.111 who believe a danger to public health exists within the territory may petition the
26 local board of health to initiate proceedings to annex the territory as provided in subsection (1) of
27 this section.

28 (b) The local board of health shall investigate the matters alleged in the petition within 90 days
29 after receiving the petition and shall either initiate proceedings to annex the territory or certify to
30 the petitioners that the investigation disclosed insufficient evidence to initiate proceedings.

31 (3)(a)(A) At any time before the annexation of territory initiated under subsection (2) of this
32 section is final, the petition shall be withdrawn if a number of petitioners described in subparagraph
33 (B) of this paragraph provides the local board of health with a copy of an alternative plan that meets
34 the requirements of ORS 222.885 (1)(c).

35 (B) The required number of petitioners under this paragraph is any number that, if subtracted
36 from the number of petitioners who signed the petition under subsection (2) of this section, would
37 reduce the total number of petitioners below 40 percent of the residents of the territory.

38 (b) If a petition is withdrawn under paragraph (a) of this subsection before the Director of the
39 Oregon [Health Authority] **Department of Health** finds that a danger to public health exists in the
40 territory under ORS 222.880, the Oregon [Health Authority] **Department of Health** and the local
41 board of health shall terminate all proceedings under ORS 222.840 to 222.915 with respect to the
42 territory that was the subject of the petition.

43 (c) If a petition is withdrawn under paragraph (a) of this subsection after the director finds that
44 a danger to public health exists in the territory under ORS 222.880, the alternative plan provided
45 under paragraph (a) of this subsection shall be evaluated by the [authority] **department** or the En-

1 vironmental Quality Commission pursuant to the standards described in ORS 222.890.

2 **SECTION 182.** ORS 222.911 is amended to read:

3 222.911. No officer or employee of the Oregon [*Health Authority*] **Department of Health** who
4 owns property or resides within affected territory that is subject to proceedings under the provisions
5 of ORS 222.840 to 222.915 shall participate in an official capacity in any investigation, hearing or
6 recommendation relating to such proceedings. If the Director of the Oregon [*Health Authority*] **De-**
7 **partment of Health** is such a person, the director shall so inform the Governor, who shall appoint
8 another person to fulfill the duties of the director in any investigation, hearing or recommendation
9 relating to such proceeding.

10 **SECTION 183.** ORS 227.320 is amended to read:

11 227.320. (1) Subject to the provisions of this section, a city of this state may establish by ordi-
12 nance or otherwise a program for the demolition of residences or residential buildings. A program
13 established under this subsection:

14 (a) Must require a person performing a demolition to acquire a permit from the city authorizing
15 the person to perform the demolition;

16 (b) If a person performing a demolition is a contractor, as defined in ORS 701.005 (5)(a), and if
17 a residence or residential building to be demolished was built before January 1, 1978, must require
18 the person, as a condition of receiving a permit under this subsection, to submit proof verifying that
19 the person has been certified to engage in lead-based paint activities in accordance with rules
20 adopted by the Oregon [*Health Authority*] **Department of Health**;

21 (c) If a residence or residential building to be demolished was built before January 1, 1978, must
22 require the person performing the demolition to comport with some or all of a list of best practices
23 developed and periodically updated by the [*authority*] **Oregon Department of Health**, in consulta-
24 tion with the Department of Environmental Quality, the Construction Contractors Board and other
25 interested stakeholders, for the purpose of containing lead particles that otherwise would be re-
26 leased into the air during a demolition;

27 (d) May require a person performing a demolition to provide a copy of the asbestos survey re-
28 quired under ORS 468A.757 and notice of intent to perform activities related to asbestos abatement
29 to an agency of the city before performing the demolition; and

30 (e) May provide for the dissemination to the public of a document, developed in coordination
31 with the [*authority*] **Oregon Department of Health** and the Department of **Environmental**
32 **Quality**, listing answers to frequently asked questions about:

33 (A) Best practices for containing lead particles that otherwise would be released into the air
34 during a demolition;

35 (B) The asbestos survey required under ORS 468A.757; and

36 (C) Asbestos abatement activities that must be conducted before a demolition.

37 (2) Subsection (1)(b) and (c) of this section does not apply to the demolition of a residence or
38 residential building built before January 1, 1978, if a person certified to inspect or assess structures
39 for the presence of lead-based paint in accordance with rules adopted by the [*authority*] **Oregon**
40 **Department of Health** has determined that the residence or residential building does not contain
41 lead-based paint.

42 (3)(a) Except as provided in paragraph (b) of this subsection, this section does not prevent a city
43 from adopting ordinances or otherwise providing for the further regulation of demolitions of resi-
44 dences and residential buildings.

45 (b) After any best practices are developed as described in subsection (1)(c) of this section, a city

1 may not adopt ordinances regarding, or otherwise provide for, best practices for the purpose of
 2 containing lead particles that otherwise would be released into the air during a demolition that are
 3 in addition to any best practices developed and updated as described in subsection (1)(c) of this
 4 section.

5 **SECTION 184.** ORS 238.082 is amended to read:

6 238.082. (1) Subject to the limitations in this section, any public employer may employ any
 7 member who is retired for service if the administrative head of the public employer is satisfied that
 8 such employment is in the public interest.

9 (2) Except as provided in this section, the period or periods of employment by one or more
 10 public employers of a retired member who is reemployed under this section may not total 1,040
 11 hours or more in any calendar year.

12 (3) A retired member who is receiving old-age, survivors or disability insurance benefits under
 13 the federal Social Security Act may be employed under this section for the number of hours per-
 14 mitted by subsection (2) of this section, or for the number of hours for which the salary equals the
 15 maximum allowed for receipt of the full amount of those benefits to which the person is entitled,
 16 whichever is greater.

17 (4) Except as provided in subsection (9) of this section, the limitations on employment imposed
 18 by subsections (2) and (3) of this section do not apply to a retired member who is employed as a
 19 teacher or as an administrator, as those terms are defined in ORS 342.120, if the retired member is
 20 employed by a school district or community college district located within a county with a popu-
 21 lation of not more than 35,000 inhabitants according to the latest federal decennial census, or is
 22 employed by an education service district and the retired member's primary work duties are per-
 23 formed in a county with a population of not more than 35,000 inhabitants according to the latest
 24 federal decennial census. A retired member who is employed under this subsection as a teacher, as
 25 defined in ORS 342.120, by the same public employer that employed the member at the time of re-
 26 tirement remains in the same collective bargaining unit that included the member before retirement.

27 (5) Except as provided in subsection (9) of this section, the limitations on employment imposed
 28 by subsections (2) and (3) of this section do not apply to a retired member who is employed:

29 (a) By the sheriff of a county with a population of fewer than 75,000 inhabitants, according to
 30 the latest federal decennial census;

31 (b) By the municipal police department of a city with a population of fewer than 15,000 inhab-
 32 itants, according to the latest federal decennial census;

33 (c) By the state or a county for work in a correctional institution located in a county with a
 34 population of fewer than 75,000 inhabitants, according to the latest federal decennial census;

35 (d) By the Black Butte Ranch Rural Fire Protection District, the Black Butte Ranch Service
 36 District or the Sunriver Service District;

37 (e) By the Oregon State Police for work in a county with a population of fewer than 75,000 in-
 38 habitants, according to the latest federal decennial census;

39 (f) As a deputy director or assistant director of the Department of Human Services, if the Gov-
 40 ernor approves the exemption for the person from the limitations on employment imposed in sub-
 41 sections (2) and (3) of this section;

42 (g) As a deputy director or assistant director of the Oregon [*Health Authority*] **Department of**
 43 **Health**, if the Governor approves the exemption for the person from the limitations on employment
 44 imposed in subsections (2) and (3) of this section;

45 (h) As a special campus security officer commissioned by the governing board of a public uni-

1 versity listed in ORS 352.002 under ORS 352.118;

2 (i) As a security officer for a community college, as defined in ORS 341.005; or

3 (j) By the Harney County Health District as a person licensed, registered or certified to provide
4 health services.

5 (6) Except as provided in subsection (9) of this section, the limitations on employment imposed
6 by subsections (2) and (3) of this section do not apply to a retired member who is employed to tem-
7 porarily replace an employee who serves in the National Guard or in a reserve component of the
8 Armed Forces of the United States and who is called to federal active duty.

9 (7) Except as provided in subsection (9) of this section, the limitations on employment imposed
10 by subsections (2) and (3) of this section do not apply to a retired member who is employed by a road
11 assessment district organized under ORS 371.405 to 371.535.

12 (8) Except as provided in subsection (9) of this section, the limitations on employment imposed
13 by subsections (2) and (3) of this section do not apply to a retired member who is a nurse and is
14 employed by a public employer as a nurse or for the purpose of teaching nursing during the period
15 in which a nursing workforce shortage declared by the Legislative Assembly or the Governor is in
16 effect.

17 (9)(a) Except as provided in paragraph (b) of this subsection, subsections (4) to (8) of this section
18 do not apply to any member who retires under the provisions of ORS 238.280 (1), (2) or (3).

19 (b) Subsection (4) of this section applies to a person who retires under the provisions of ORS
20 238.280 (1), (2) or (3) as long as the person is absent from service with all participating public em-
21 ployers for at least six months before the date the person is employed under subsection (4) of this
22 section.

23 (10) Employment under this section does not affect the status of a person as a retired member
24 of the system and a recipient of retirement benefits under this chapter.

25 (11) Hours worked by a person employed under subsections (4) to (8) of this section shall not
26 be counted for the purpose of the limitations on employment imposed by subsections (2) and (3) of
27 this section.

28 **SECTION 185.** ORS 243.061 is amended to read:

29 243.061. (1) There is created in the Oregon [*Health Authority*] **Department of Health** the Public
30 Employees' Benefit Board consisting of at least eight voting members and two members of the Leg-
31 islative Assembly as nonvoting advisory members. Two of the voting members are ex officio members
32 and six are appointed by the Governor. The voting members shall be:

33 (a) Four members representing the state as an employer and management employees, who shall
34 be as follows:

35 (A) The Director of the Oregon [*Health Authority*] **Department of Health** or a designee of the
36 director;

37 (B) The Director of the Health Policy and Analytics Division of the Oregon [*Health Authority*]
38 **Department of Health** or the director's designee; and

39 (C) Two management employees appointed by the Governor from areas of state government
40 other than the Oregon [*Health Authority*] **Department of Health**; and

41 (b) Four members appointed by the Governor and representing nonmanagement representable
42 employees, who shall be as follows:

43 (A) Two persons from the largest employee representative unit;

44 (B) One person from the second largest employee representative unit; and

45 (C) One person from representable employees not represented by employee representative units

1 described in subparagraphs (A) and (B) of this paragraph.

2 (2) One member of the Senate shall be appointed by the President of the Senate and one member
3 of the House of Representatives shall be appointed by the Speaker of the House to serve as non-
4 voting advisory members.

5 (3)(a) If the governing body of a local government elects to participate in a benefit plan offered
6 by the board, in addition to the members appointed under subsections (1) and (2) of this section, the
7 Governor shall appoint two voting members, one of whom represents local government management
8 and one of whom represents local government nonmanagement employees.

9 (b) After the appointment of members under paragraph (a) of this subsection, if the number of
10 eligible employees of a local government or local governments enrolled in a benefit plan or plans
11 offered by the board exceeds 25,000, the Governor shall appoint two additional voting members, one
12 of whom represents local government management and one of whom represents local government
13 nonmanagement employees.

14 (c) After the appointment of members under paragraphs (a) and (b) of this subsection, for every
15 additional 25,000 eligible employees of a local government or local governments enrolled in a benefit
16 plan or plans offered by the board, the Governor shall appoint one additional voting member repre-
17 senting local government management and one additional voting member representing local govern-
18 ment nonmanagement employees.

19 (4) A maximum of three members may be appointed to represent local government management
20 and a maximum of three members may be appointed to represent local government nonmanagement
21 employees.

22 (5) The term of office of each appointed voting member is four years, but an appointed voting
23 member serves at the pleasure of the Governor. Before the expiration of the term of a voting mem-
24 ber appointed by the Governor, the Governor shall appoint a successor to take office upon the date
25 of that expiration. A member is eligible for reappointment. If there is a vacancy for any cause, the
26 Governor shall make an appointment to become immediately effective for the unexpired term.

27 (6) The appointments by the Governor of voting members of the board are subject to confirma-
28 tion by the Senate in the manner prescribed in ORS 171.562 and 171.565.

29 (7) Members of the board who are not members of the Legislative Assembly shall receive no
30 compensation for their services, but shall be paid for their necessary and actual expenses while on
31 official business in accordance with ORS 292.495. Members of the board who are members of the
32 Legislative Assembly shall be paid compensation and expense reimbursement as provided in ORS
33 171.072, payable from funds appropriated to the Legislative Assembly.

34 (8) As used in this section, "benefit plan" and "local government" have the meanings given those
35 terms in ORS 243.105.

36 **SECTION 186.** ORS 243.125 is amended to read:

37 243.125. (1) The Public Employees' Benefit Board shall prescribe rules for the conduct of its
38 business and for carrying out ORS 243.256. The board shall study all matters connected with the
39 providing of adequate benefit plan coverage for eligible employees on the best basis possible with
40 relation both to the welfare of the employees and to the state and local governments. The board
41 shall design benefits, devise specifications, analyze carrier responses to advertisements for bids and
42 decide on the award of contracts. Contracts shall be signed by the chairperson on behalf of the
43 board.

44 (2) In carrying out its duties under subsection (1) of this section, the goal of the board shall be
45 to provide a high quality plan of health and other benefits for employees at a cost affordable to both

1 the employer and the employees.

2 (3) Subject to ORS chapter 183, the board may make rules not inconsistent with ORS 243.105 to
3 243.285 and 292.051 to determine the terms and conditions of eligible employee participation and
4 coverage.

5 (4)(a) The board shall prepare specifications, invite bids and do acts necessary to award con-
6 tracts for health benefit plan and dental benefit plan coverage of eligible employees in accordance
7 with the criteria set forth in ORS 243.135 (1).

8 (b) Premium rates established by the board for a self-insured health benefit plan and premium
9 rates negotiated by the board with a carrier that offers a health benefit plan to eligible employees
10 must take into account any reduction in the cost of hospital services and supplies anticipated to
11 result from the application of ORS 243.256.

12 (5) The executive director of the board shall report to the Director of the Oregon [*Health Au-*
13 *thority*] **Department of Health**.

14 (6) The board may retain consultants, brokers or other advisory personnel when necessary and,
15 subject to the State Personnel Relations Law, shall employ such personnel as are required to per-
16 form the functions of the board. If the board contracts for actuarial or technical support to manage
17 the functions of the board, the board shall, no less than every three years, solicit invitations to bid
18 and the proposals must include all of the following:

19 (a) An explanation of how the bidder has assisted other clients in creating incentives to improve
20 the quality of care provided to enrollees;

21 (b) An explanation of how the bidder will support the board's efforts to maximize provider effi-
22 ciencies and achieve more organized systems of care; and

23 (c) A description of the bidder's experience in assisting other clients in structuring contracts
24 that use risk-based networks of providers and alternative provider reimbursement methodologies.

25 **SECTION 187.** ORS 243.142 is amended to read:

26 243.142. The Oregon [*Health Authority*] **Department of Health** shall apply for a waiver of fed-
27 eral law or any formal permission from the appropriate federal agency or agencies that is necessary
28 to allow districts and eligible employees of districts to obtain health benefit plans through the health
29 insurance exchange in accordance with ORS 243.886.

30 **SECTION 188.** ORS 243.145 is amended to read:

31 243.145. (1) The Public Employees' Benefit Board shall have authority to employ whatever means
32 are reasonably necessary to carry out the purposes of ORS 243.105 to 243.285 and 292.051. The
33 board's authority includes, but is not limited to, the authority to self-insure and to seek clarification,
34 amendment, modification, suspension or termination of any agreement or contract that in the board's
35 judgment requires such action.

36 (2) Upon providing specific notice in writing to the carrier, the affected employee organization
37 or organizations, the Oregon [*Health Authority*] **Department of Health** and affected eligible em-
38 ployees, and after affording opportunity for a public hearing upon the issues that may be involved,
39 the board may enter an order withdrawing approval of any benefit plan. Thirty days after entry of
40 the order, the board shall terminate all withholding authorizations of eligible employees and termi-
41 nate all board-approved participation in the plan.

42 (3) The board by order may terminate the participation of any state agency or local government
43 if within three months the state agency or local government fails to perform any action required
44 by ORS 243.105 to 243.285 and 292.051 or by board rule.

45 **SECTION 189.** ORS 243.862 is amended to read:

1 243.862. (1) There is established in the Oregon [*Health Authority*] **Department of Health** an
2 Oregon Educators Benefit Board consisting of at least 10 members appointed by the Governor, in-
3 cluding:

4 (a) Two members representing district boards;

5 (b) Two members representing district management;

6 (c) Two members representing nonmanagement district employees from the largest labor organ-
7 ization representing district employees;

8 (d) One member representing nonmanagement district employees from the second largest labor
9 organization representing district employees;

10 (e) One member representing nonmanagement district employees who are not represented by
11 labor organizations described in paragraphs (c) and (d) of this subsection; and

12 (f) Two members with expertise in health policy or risk management.

13 (2)(a) If the governing body of a local government elects to participate in a benefit plan offered
14 by the board, in addition to the members appointed under subsection (1) of this section, the Gover-
15 nor shall appoint two members, one of whom represents local government management and one of
16 whom represents local government nonmanagement employees.

17 (b) After the appointment of members under paragraph (a) of this subsection, if the number of
18 eligible employees of a local government or local governments enrolled in a benefit plan or plans
19 offered by the board exceeds 25,000, the Governor shall appoint two additional members, one of
20 whom represents local government management and one of whom represents local government non-
21 management employees.

22 (c) After the appointment of members under paragraphs (a) and (b) of this subsection, for every
23 additional 25,000 eligible employees of a local government or local governments enrolled in a benefit
24 plan or plans offered by the board, the Governor shall appoint one additional member representing
25 local government management and one additional member representing local government nonman-
26 agement employees.

27 (3) A maximum of three members may be appointed to represent local government management
28 and a maximum of three members may be appointed to represent local government nonmanagement
29 employees.

30 (4) The term of office of each member is four years, but a member serves at the pleasure of the
31 Governor. Before the expiration of the term of a member, the Governor shall appoint a successor
32 to take office upon the date of that expiration. A member is eligible for reappointment. If there is
33 a vacancy for any cause, the Governor shall make an appointment to become immediately effective
34 for the unexpired term.

35 (5) A member of the board is not entitled to compensation, but may be reimbursed from funds
36 available to the board for actual and necessary travel and other expenses incurred by the member
37 in the performance of the member's official duties in the manner and amount provided in ORS
38 292.495.

39 (6) The board shall select one of its members as chairperson and another as vice chairperson,
40 for such terms and with duties and powers necessary for the performance of the functions of such
41 offices as the board determines.

42 (7) A majority of the members of the board constitutes a quorum for the transaction of business.

43 (8) The board shall meet at times and places specified by the call of the chairperson or of a
44 majority of the members of the board.

45 (9) Appointments of members to the board by the Governor are subject to confirmation by the

1 Senate in the manner prescribed in ORS 171.562 and 171.565.

2 **SECTION 190.** ORS 243.878 is amended to read:

3 243.878. (1) The Oregon Educators Benefit Board may employ whatever means are reasonably
4 necessary to carry out the purposes of ORS 243.860 to 243.886. This authority includes, but is not
5 limited to, authority to self-insure and to seek clarification, amendment, modification, suspension or
6 termination of any agreement or contract.

7 (2) Upon providing specific notice in writing to the carrier, the affected labor organization or
8 organizations, the districts, the local governments, the Oregon [*Health Authority*] **Department of**
9 **Health** and the affected eligible employees, and after affording opportunity for a public hearing on
10 the issues that may be involved, the board may enter an order withdrawing approval of a benefit
11 plan. Thirty days after entry of the order, the board shall terminate all withholding authorizations
12 of eligible employees and terminate all board-approved participation in the plan.

13 (3) The board by order may terminate the participation of a district or a local government in a
14 benefit plan if, within three months, the district or local government fails to perform an action re-
15 quired by ORS 243.860 to 243.886 or by board rule.

16 **SECTION 191.** ORS 244.050, as amended by section 1, chapter 66, Oregon Laws 2022, is
17 amended to read:

18 244.050. (1) On or before April 15 of each year the following persons shall file with the Oregon
19 Government Ethics Commission a verified statement of economic interest as required under this
20 chapter:

21 (a) The Governor, Secretary of State, State Treasurer, Attorney General, Commissioner of the
22 Bureau of Labor and Industries, district attorneys and members of the Legislative Assembly.

23 (b) Any judicial officer, including justices of the peace and municipal judges, except any pro tem
24 judicial officer who does not otherwise serve as a judicial officer.

25 (c) Any candidate for a public office designated in paragraph (a) or (b) of this subsection.

26 (d) The Deputy Attorney General.

27 (e) The Deputy Secretary of State.

28 (f) The Legislative Administrator, the Legislative Counsel, the Legislative Fiscal Officer, the
29 Legislative Policy and Research Director, the Secretary of the Senate, the Chief Clerk of the House
30 of Representatives and the Legislative Equity Officer.

31 (g) The president and vice presidents, or their administrative equivalents, in each public uni-
32 versity listed in ORS 352.002.

33 (h) The following state officers:

34 (A) Adjutant General.

35 (B) Director of Agriculture.

36 (C) Manager of State Accident Insurance Fund Corporation.

37 (D) Water Resources Director.

38 (E) Director of the Department of Environmental Quality.

39 (F) Director of the Oregon Department of Administrative Services.

40 (G) State Fish and Wildlife Director.

41 (H) State Forester.

42 (I) State Geologist.

43 (J) Director of Human Services.

44 (K) Director of the Department of Consumer and Business Services.

45 (L) Director of the Department of State Lands.

- 1 (M) State Librarian.
- 2 (N) Administrator of the Oregon Liquor and Cannabis Commission.
- 3 (O) Superintendent of State Police.
- 4 (P) Director of the Public Employees Retirement System.
- 5 (Q) Director of Department of Revenue.
- 6 (R) Director of Transportation.
- 7 (S) Public Utility Commissioner.
- 8 (T) Director of Veterans' Affairs.
- 9 (U) Executive director of Oregon Government Ethics Commission.
- 10 (V) Director of the State Department of Energy.
- 11 (W) Director and each assistant director of the Oregon State Lottery.
- 12 (X) Director of the Department of Corrections.
- 13 (Y) Director of the Oregon Department of Aviation.
- 14 (Z) Executive director of the Oregon Criminal Justice Commission.
- 15 (AA) Director of the Oregon Business Development Department.
- 16 (BB) Director of the Oregon Department of Emergency Management.
- 17 (CC) Director of the Employment Department.
- 18 (DD) State Fire Marshal.
- 19 (EE) Chief of staff for the Governor.
- 20 (FF) Director of the Housing and Community Services Department.
- 21 (GG) State Court Administrator.
- 22 (HH) Director of the Department of Land Conservation and Development.
- 23 (II) Board chairperson of the Land Use Board of Appeals.
- 24 (JJ) State Marine Director.
- 25 (KK) Executive director of the Oregon Racing Commission.
- 26 (LL) State Parks and Recreation Director.
- 27 (MM) Public defense services executive director.
- 28 (NN) Chairperson of the Public Employees' Benefit Board.
- 29 (OO) Director of the Department of Public Safety Standards and Training.
- 30 (PP) Executive director of the Higher Education Coordinating Commission.
- 31 (QQ) Executive director of the Oregon Watershed Enhancement Board.
- 32 (RR) Director of the Oregon Youth Authority.
- 33 (SS) Director of the Oregon *[Health Authority]* **Department of Health**.
- 34 (TT) Deputy Superintendent of Public Instruction.
- 35 (i) The First Partner, the legal counsel, the deputy legal counsel and all policy advisors within
- 36 the Governor's office.
- 37 (j) Every elected city or county official.
- 38 (k) Every member of a city or county planning, zoning or development commission.
- 39 (L) The chief executive officer of a city or county who performs the duties of manager or prin-
- 40 cipal administrator of the city or county.
- 41 (m) Members of local government boundary commissions formed under ORS 199.410 to 199.519.
- 42 (n) Every member of a governing body of a metropolitan service district and the auditor and
- 43 executive officer thereof.
- 44 (o) Each member of the board of directors of the State Accident Insurance Fund Corporation.
- 45 (p) The chief administrative officer and the financial officer of each common and union high

- 1 school district, education service district and community college district.
- 2 (q) Every member of the following state boards, commissions and councils:
- 3 (A) Governing board of the State Department of Geology and Mineral Industries.
- 4 (B) Oregon Business Development Commission.
- 5 (C) State Board of Education.
- 6 (D) Environmental Quality Commission.
- 7 (E) Fish and Wildlife Commission of the State of Oregon.
- 8 (F) State Board of Forestry.
- 9 (G) Oregon Government Ethics Commission.
- 10 (H) Oregon Health Policy Board.
- 11 (I) Oregon Investment Council.
- 12 (J) Land Conservation and Development Commission.
- 13 (K) Oregon Liquor and Cannabis Commission.
- 14 (L) Oregon Short Term Fund Board.
- 15 (M) State Marine Board.
- 16 (N) Mass transit district boards.
- 17 (O) Energy Facility Siting Council.
- 18 (P) Board of Commissioners of the Port of Portland.
- 19 (Q) Employment Relations Board.
- 20 (R) Public Employees Retirement Board.
- 21 (S) Oregon Racing Commission.
- 22 (T) Oregon Transportation Commission.
- 23 (U) Water Resources Commission.
- 24 (V) Workers' Compensation Board.
- 25 (W) Oregon Facilities Authority.
- 26 (X) Oregon State Lottery Commission.
- 27 (Y) Pacific Northwest Electric Power and Conservation Planning Council.
- 28 (Z) Columbia River Gorge Commission.
- 29 (AA) Oregon Health and Science University Board of Directors.
- 30 (BB) Capitol Planning Commission.
- 31 (CC) Higher Education Coordinating Commission.
- 32 (DD) Oregon Growth Board.
- 33 (EE) Early Learning Council.
- 34 (FF) The Oversight and Accountability Council.
- 35 (r) The following officers of the State Treasurer:
- 36 (A) Deputy State Treasurer.
- 37 (B) Chief of staff for the office of the State Treasurer.
- 38 (C) Director of the Investment Division.
- 39 (s) Every member of the board of commissioners of a port governed by ORS 777.005 to 777.725
- 40 or 777.915 to 777.953.
- 41 (t) Every member of the board of directors of an authority created under ORS 441.525 to 441.595.
- 42 (u) Every member of a governing board of a public university listed in ORS 352.002.
- 43 (v) Every member of the district school board of a common school district or union high school
- 44 district.
- 45 (w) Every member of the board of directors of an authority created under ORS 465.600 to

1 465.621.

2 (2) By April 15 next after the date an appointment takes effect, every appointed public official
 3 on a board or commission listed in subsection (1) of this section shall file with the Oregon Govern-
 4 ment Ethics Commission a statement of economic interest as required under ORS 244.060, 244.070
 5 and 244.090.

6 (3) By April 15 next after the filing deadline for the primary election, each candidate described
 7 in subsection (1) of this section shall file with the commission a statement of economic interest as
 8 required under ORS 244.060, 244.070 and 244.090.

9 (4) Not later than the 40th day before the date of the statewide general election, each candidate
 10 described in subsection (1) of this section who will appear on the statewide general election ballot
 11 and who was not required to file a statement of economic interest under subsections (1) to (3) of this
 12 section shall file with the commission a statement of economic interest as required under ORS
 13 244.060, 244.070 and 244.090.

14 (5) Subsections (1) to (3) of this section apply only to persons who are incumbent, elected or
 15 appointed public officials as of April 15 and to persons who are candidates on April 15.

16 (6) If a statement required to be filed under this section has not been received by the commis-
 17 sion within five days after the date the statement is due, the commission shall notify the public of-
 18 ficial or candidate and give the public official or candidate not less than 15 days to comply with the
 19 requirements of this section. If the public official or candidate fails to comply by the date set by the
 20 commission, the commission may impose a civil penalty as provided in ORS 244.350.

21 **SECTION 192.** ORS 247.570 is amended to read:

22 247.570. (1) Not later than five business days after receiving a report of death under ORS
 23 432.133, a county registrar designated under ORS 432.035 shall furnish to the county clerk of that
 24 county the name, age, date of birth and residence address of the person for whom the registrar has
 25 received the report of death. If the person was registered to vote in the county, the county clerk
 26 immediately shall cancel the registration of the person.

27 (2) Not later than five business days after receiving information from the county registrar under
 28 subsection (1) of this section, the county clerk shall furnish the information to the Secretary of
 29 State. The Secretary of State shall furnish a copy of the appropriate names received under this
 30 subsection to each county clerk. Each county clerk immediately shall cancel the registrations of
 31 those persons.

32 (3) The Oregon [*Health Authority*] **Department of Health**, during the last week of each month,
 33 shall furnish to the Secretary of State a list of the name, age, date of birth, county of residence and
 34 residence address of each resident of this state who has died during the preceding month and for
 35 whom a report of death was not submitted to a county registrar. The Secretary of State shall furnish
 36 a copy of the appropriate names to each county clerk. Each county clerk immediately shall cancel
 37 registrations of those persons.

38 **SECTION 193.** ORS 270.100 is amended to read:

39 270.100. (1)(a) Before offering for sale any real property or equitable interest in real property
 40 that the state owns, the state agency acting for the state in the sales transaction shall report to the
 41 Oregon Department of Administrative Services that the state agency intends to sell or transfer the
 42 real property or the equitable interest. The department, or an agency the department specifically
 43 designates, shall notify other state agencies authorized to own real property of the intended sale or
 44 transfer to determine whether acquiring the real property or interest in the real property would be
 45 advantageous to another state agency.

1 (b)(A) The department shall give the first opportunity after other state agencies to acquire,
2 purchase, exchange or lease real property or an interest in real property that the State of Oregon
3 disposes of or sells to:

4 (i) The following entities, on the condition that the entities will develop housing on the real
5 property that will be occupied by families and individuals with an income no greater than 80 percent
6 of the median family income for the county in which the real property is located:

7 (I) Nonprofit organizations; and

8 (II) Indian tribes, as defined in ORS 97.740; and

9 (ii) Political subdivisions, as defined in ORS 271.005.

10 (B) The state agency responsible for selling or transferring the property or the equitable interest
11 may require at the time of the sale or transfer that a political subdivision must use state real
12 property or an equitable interest in real property sold or transferred to the political subdivision for
13 a public purpose or benefit, and that the political subdivision may not resell the real property or the
14 equitable interest to a private purchaser.

15 (c) If a state agency that intends to sell or transfer real property or an equitable interest in real
16 property has not disposed of the real property or the equitable interest under paragraph (a) or (b)
17 of this subsection, the state agency shall cause the real property to be appraised by one or more
18 competent and experienced appraisers in accordance with rules the department adopts. Except as
19 provided in ORS 273.825, if the property has an appraised value exceeding \$5,000, the property or
20 an equitable interest in the property may not be sold to any private person except after notice
21 calling for such proposals as set forth in ORS 270.130.

22 (d) The department shall adopt rules to carry out the provisions of this section.

23 (2) Before a state agency acquires any real property or interest in real property, except for
24 highway right of way that the Department of Transportation acquires, park properties that the State
25 Parks and Recreation Department acquires and property within the approved projected campus
26 boundaries for public universities listed in ORS 352.002, the state agency shall report to the Oregon
27 Department of Administrative Services that the state agency intends to acquire the real property
28 or the interest in real property. The *[department]* **Oregon Department of Administrative Services**
29 shall notify other state agencies that own land that the state agency intends to acquire real prop-
30 erty or an interest in real property to determine whether another state agency desires to sell or
31 transfer property that would meet the needs of the acquiring agency. In accordance with rules the
32 Oregon Department of Administrative Services adopts, if no other state agency desires to sell or
33 transfer property that would meet the needs of the agency that intends to acquire real property or
34 an interest in real property, the agency may acquire the real property or interest in real property,
35 consistent with applicable provisions of law.

36 (3) Before any terminal disposition of real property or an interest in real property, the state
37 agency acting for the state in the transaction must secure approval of the transaction from the
38 Oregon Department of Administrative Services.

39 (4) Subsection (3) of this section does not apply to terminal disposition of the following real
40 property:

41 (a) Property that the State Department of Fish and Wildlife controls;

42 (b) State forestlands that the State Forestry Department controls;

43 (c) Property that the Department of Transportation controls;

44 (d) Property that the Department of State Lands controls;

45 (e) Property that public universities listed in ORS 352.002 control;

- 1 (f) Property that the legislative branch of state government controls;
- 2 (g) Property that the judicial branch of state government controls; and
- 3 (h) Property that the State Parks and Recreation Department controls.

4 (5) Notwithstanding the provisions of subsection (4) of this section, prior approval by the Oregon
 5 Department of Administrative Services is required for the terminal disposition of public land for less
 6 than the fair market value of the public land.

7 (6) The provisions of ORS 184.634, 270.005 to 270.015, 270.100 to 270.190, 273.416, 273.426 to
 8 273.436, 273.551 and 308A.709 (1)(a) to (d) do not apply to:

9 (a) A home or farm that the Department of Veterans' Affairs acquires or sells under ORS 88.720,
 10 406.050, 407.135, 407.145, 407.375 or 407.377.

11 (b) Real property that the Housing and Community Services Department acquires or sells under
 12 the provisions of ORS 456.515 to 456.725 or 458.480 to 458.490 or ORS chapter 458.

13 (c) Real property that the Oregon [*Health Authority*] **Department of Health** or the Department
 14 of Human Services acquires or sells under ORS 410.075 or 416.340.

15 **SECTION 194.** ORS 273.785 is amended to read:

16 273.785. ORS 273.551 and 273.775 to 273.790 do not apply to:

17 (1) Soil, clay, stone, sand and gravel that state agencies acquire or use for the purpose of con-
 18 structing or repairing roads or other state facilities, or the proceeds from soil, clay, stone, sand or
 19 gravel.

20 (2) Mineral or geothermal resource rights or the proceeds from mineral or geothermal resource
 21 rights that the State Fish and Wildlife Commission acquires in an agreement with the federal gov-
 22 ernment under 16 U.S.C. 669 to 669i (P.L. 75-415).

23 (3) Mineral or geothermal resource rights or the proceeds from mineral or geothermal resource
 24 rights if federal rules or regulations or any agreement that the state enters into at the time the
 25 state acquires the mineral or geothermal resource rights requires another disposition.

26 (4) Proceeds of mineral and geothermal resource rights that the state acquires pursuant to ORS
 27 530.010 and 530.030, other than mineral and geothermal resource rights distributed under ORS
 28 530.110 (1)(c).

29 (5) Mineral or geothermal resource rights or the proceeds from mineral or geothermal resource
 30 rights that the Department of Veterans' Affairs acquires for the state after January 1, 1974, under
 31 ORS 88.720, 406.050 (2), 407.135 or 407.145. After consultation, the Department of State Lands and
 32 the Department of Veterans' Affairs shall enter into an interagency agreement governing consulta-
 33 tion between the departments concerning mineral and geothermal resource values on properties the
 34 Department of Veterans' Affairs acquires for the state. The Department of Veterans' Affairs shall
 35 adopt rules relating to the release of mineral and geothermal rights on the acquired properties.

36 (6) Mineral or geothermal resource rights or the proceeds from mineral or geothermal resource
 37 rights that a donor gives to any public university or office, department or activity under the control
 38 of the governing board of a public university listed in ORS 352.002 that the public university ac-
 39 quires or holds for the state under ORS chapters 351 and 567. In managing mineral or geothermal
 40 resource leases, the governing board shall consult with the Department of State Lands in accord-
 41 ance with an interagency agreement that the department and the governing board establish to gov-
 42 ern consultation between the department and the public university and to govern management of the
 43 mineral or geothermal resources.

44 (7) Mineral or geothermal resource rights or proceeds from mineral or geothermal resource
 45 rights that the Department of Transportation acquires and holds. In managing mineral or geothermal

1 resource leases, the Department of Transportation shall enter into an intergovernmental agreement
2 with the Department of State Lands governing consultation between the departments and governing
3 management of the mineral or geothermal resources.

4 (8) Mineral or geothermal resource rights or the proceeds from mineral or geothermal resource
5 rights that the Housing and Community Services Department acquires and holds.

6 (9) Mineral or geothermal resource rights or the proceeds from mineral or geothermal resource
7 rights that the Oregon [*Health Authority*] **Department of Health** or the Department of Human
8 Services acquires and holds.

9 **SECTION 195.** ORS 276.180 is amended to read:

10 276.180. When vacated and no longer required for institution uses, all or any portion of the
11 buildings, grounds and facilities presently operated and controlled by the Department of Human
12 Services, the Department of Corrections, the Oregon [*Health Authority*] **Department of Health** or
13 the State Board of Education, are transferred to the Oregon Department of Administrative Services
14 when so ordered by the Oregon Department of Administrative Services. Title shall vest automat-
15 ically in the Oregon Department of Administrative Services in the name of the State of Oregon and
16 the department shall operate and maintain all facilities described in this section.

17 **SECTION 196.** ORS 276.610 is amended to read:

18 276.610. There is established a fund in the State Treasury to be known as the State Building
19 Fund which shall be used for the construction, alteration and repair of buildings required for use
20 of institutions and activities under the jurisdiction of the Department of Corrections, the Depart-
21 ment of Human Services, the Oregon [*Health Authority*] **Department of Health**, the governing
22 boards of public universities listed in ORS 352.002 or the State Board of Education and for the fur-
23 nishing and equipping of buildings so constructed, altered or repaired.

24 **SECTION 197.** ORS 276.612 is amended to read:

25 276.612. The Department of Corrections, the Department of Human Services, the Oregon [*Health*
26 *Authority*] **Department of Health** and the State Board of Education each shall determine the
27 buildings to be constructed, altered, repaired, furnished and equipped for the use of institutions and
28 activities under their respective jurisdictions. The governing board of a public university listed in
29 ORS 352.002 shall determine the buildings to be constructed, altered, repaired, furnished and
30 equipped for the use of public universities or offices, departments or activities under its jurisdiction.

31 **SECTION 198.** ORS 278.315 is amended to read:

32 278.315. (1) The Oregon [*Health Authority*] **Department of Health** may provide tort liability
33 coverage through the Oregon Department of Administrative Services to any county or private com-
34 munity care provider that has contracted with the [*authority*] **Oregon Department of Health** to
35 provide supervision, care, treatment or training of persons under the jurisdiction of the Psychiatric
36 Security Review Board under ORS 161.315 to 161.351. Counties or private community care provid-
37 ers, and the officers and employees of those counties and providers acting within the scope of their
38 employment, may be covered to the extent that any tort claim arises out of the provision of super-
39 vision, care, treatment or training of persons pursuant to the terms of the contract. Tort liability
40 coverage under this section must be in writing, and may be part of the contract between the [*au-*
41 *thority*] **Oregon Department of Health** and the county or private community care provider. The
42 coverage provided under this section shall be self-insurance by the State of Oregon to the limits
43 contained in ORS 30.260 to 30.300.

44 (2) Counties or private community care providers that have contracted with the [*authority*]
45 **Oregon Department of Health** to provide supervision, care, treatment or training of persons under

1 the jurisdiction of the Psychiatric Security Review Board under ORS 161.315 to 161.351, and the
2 officers and employees of those counties and providers, are not agents of the [authority] **Oregon**
3 **Department of Health** for the purposes of ORS 30.260 to 30.300.

4 **SECTION 199.** ORS 279A.050 is amended to read:

5 279A.050. (1)(a) Except as otherwise provided in the Public Contracting Code, a contracting
6 agency shall exercise all of the contracting agency's procurement authority in accordance with the
7 provisions of the Public Contracting Code.

8 (b) If a contracting agency has authority under this section to carry out functions described in
9 this section, or has authority to make procurements under a provision of law other than the Public
10 Contracting Code, the contracting agency need not exercise the contracting agency's authority in
11 accordance with the provisions of the code if, under ORS 279A.025, the code does not apply to the
12 contract or contracting agency.

13 (2)(a) Except as otherwise provided in paragraph (b) of this subsection and the Public Con-
14 tracting Code, for state agencies the Director of the Oregon Department of Administrative Services
15 has all the authority available to carry out the provisions of the Public Contracting Code.

16 (b) Except as otherwise provided in the Public Contracting Code, for state agencies the director
17 may delegate to the State Chief Information Officer the authority to procure or supervise the pro-
18 curement of all goods, services and personal services related to information technology and tele-
19 communications for state contracting agencies. This paragraph does not apply to contracts under
20 which the contractor delivers to the state agency information technology products or services inci-
21 dentally in performing a personal services contract described in ORS chapter 279C or a construction
22 contract described in ORS chapter 279C.

23 (3) Except as otherwise provided in the Public Contracting Code, the Director of Transportation
24 has all the authority available to:

25 (a) Procure or supervise the procurement of all services and personal services to construct, ac-
26 quire, plan, design, maintain and operate passenger terminal facilities and motor vehicle parking
27 facilities in connection with any public transportation system in accordance with ORS 184.689 (5);

28 (b) Procure or supervise the procurement of all goods, services, public improvements and per-
29 sonal services that relate to operating, maintaining or constructing highways, bridges and other
30 transportation facilities that are subject to the authority of the Department of Transportation; and

31 (c) Establish standards for, prescribe forms for and conduct the prequalification of prospective
32 bidders on public improvement contracts that relate to operating, maintaining or constructing
33 highways, bridges and other transportation facilities that are subject to the authority of the De-
34 partment of Transportation.

35 (4) Except as otherwise provided in the Public Contracting Code, the Secretary of State has all
36 the authority to procure or supervise the procurement of goods, services and personal services re-
37 lated to programs under the authority of the Secretary of State.

38 (5) Except as otherwise provided in the Public Contracting Code, the State Treasurer has all the
39 authority to procure or supervise the procurement of goods, services and personal services related
40 to programs under the authority of the State Treasurer.

41 (6) The state agencies listed in this subsection have all the authority to do the following in ac-
42 cordance with the Public Contracting Code:

43 (a) The Department of Human Services to procure or supervise the procurement of goods, ser-
44 vices and personal services under ORS 179.040 for the department's institutions and the procurement
45 of goods, services and personal services for constructing, demolishing, exchanging, maintaining, op-

1 erating and equipping housing for the purpose of providing care to individuals with intellectual
2 disabilities or other developmental disabilities, subject to applicable provisions of ORS 427.335;

3 (b) The Oregon [*Health Authority*] **Department of Health** to procure or supervise the procure-
4 ment of goods, services and personal services under ORS 179.040 and construction materials, equip-
5 ment and supplies for the [*authority's*] **department's** institutions and the procurement of goods,
6 services, personal services, construction materials, equipment and supplies for constructing, demol-
7 ishing, exchanging, maintaining, operating and equipping housing for individuals with chronic mental
8 illness, subject to applicable provisions of ORS 426.504;

9 (c) The State Department of Fish and Wildlife to procure or supervise the procurement of con-
10 struction materials, equipment, supplies, services and personal services for public improvements,
11 public works or ordinary construction described in ORS 279C.320 that is subject to the authority
12 of the State Department of Fish and Wildlife;

13 (d) The State Parks and Recreation Department to procure or supervise the procurement of all
14 goods, services, public improvements and personal services related to state parks;

15 (e) The Oregon Department of Aviation to procure or supervise the procurement of construction
16 materials, equipment, supplies, services and personal services for public improvements, public works
17 or ordinary construction described in ORS 279C.320 that is subject to the authority of the Oregon
18 Department of Aviation;

19 (f) The Oregon Business Development Department to procure or supervise the procurement of
20 all goods, services, personal services and public improvements related to its foreign trade offices
21 operating outside the state;

22 (g) The Housing and Community Services Department to procure or supervise the procurement
23 of goods, services and personal services as provided in ORS 279A.025 (2)(o);

24 (h) The Department of Corrections to procure or supervise the procurement of construction
25 materials, equipment, supplies, services and personal services for public improvements, public works
26 or ordinary construction described in ORS 279C.320 that is subject to the authority of the Depart-
27 ment of Corrections;

28 (i) The Department of Corrections, subject to any applicable provisions of ORS 279A.120,
29 279A.125, 279A.145 and 283.110 to 283.395, to procure or supervise the procurement of goods, ser-
30 vices and personal services under ORS 179.040 for its institutions;

31 (j) The Department of Veterans' Affairs to procure or supervise the procurement of real estate
32 broker and principal real estate broker services related to programs under the department's au-
33 thority;

34 (k) The Oregon Military Department to procure or supervise the procurement of construction
35 materials, equipment, supplies, services and personal services for public improvements, public works
36 or ordinary construction described in ORS 279C.320 that is subject to the authority of the Oregon
37 Military Department;

38 (L) The Department of Education, subject to any applicable provisions of ORS 329.075, 329.085
39 and 329.485 and the federal Every Student Succeeds Act (P.L. 114-95, 129 Stat. 1802), to procure or
40 supervise the procurement of goods, services, personal services and information technology related
41 to student assessment; and

42 (m) Any state agency to conduct a procurement when the agency is specifically authorized by
43 any provision of law other than the Public Contracting Code to enter into a contract.

44 (7)(a) Notwithstanding this section and ORS 279A.140 (1), the Director of the Oregon Depart-
45 ment of Administrative Services has exclusive authority, unless the director delegates the authority,

1 to procure or supervise the procurement of all price agreements on behalf of the state agencies
 2 identified in subsection (6) of this section under which more than one state agency may order goods,
 3 services or personal services.

4 (b) The director may delegate to the State Chief Information Officer the exclusive authority to
 5 procure or supervise the procurement of all price agreements related to information technology and
 6 telecommunications on behalf of the state agencies identified in subsection (6) of this section.
 7 Notwithstanding any authority that a state agency may have under subsection (3) or (6) of this
 8 section, the state agency may not establish a price agreement or enter into a contract for goods,
 9 services or personal services without the approval of the director or the State Chief Information
 10 Officer if the director or the State Chief Information Officer has established a price agreement for
 11 the goods, services or personal services.

12 (c) The State Chief Information Officer may review any solicitation document for procuring in-
 13 formation technology or telecommunications that a state agency intends to issue before the state
 14 agency issues the solicitation document and may require the state agency to name the State Chief
 15 Information Officer as a third-party beneficiary with full authority to enforce the terms and condi-
 16 tions of any public contract for information technology or telecommunications. The State Chief In-
 17 formation Officer must approve a state agency’s procurement for information technology or
 18 telecommunications if the procurement has an anticipated contract price of \$1 million or more. The
 19 State Chief Information Officer may require the state agency to name the State Chief Information
 20 Officer as the contracting party on behalf of the State of Oregon in a procurement for information
 21 technology or telecommunications that has an anticipated contract price of \$1 million or more.

22 **SECTION 200.** ORS 279A.050, as amended by section 17, chapter 631, Oregon Laws 2021, is
 23 amended to read:

24 279A.050. (1)(a) Except as otherwise provided in the Public Contracting Code, a contracting
 25 agency shall exercise all of the contracting agency’s procurement authority in accordance with the
 26 provisions of the Public Contracting Code.

27 (b) If a contracting agency has authority under this section to carry out functions described in
 28 this section, or has authority to make procurements under a provision of law other than the Public
 29 Contracting Code, the contracting agency need not exercise the contracting agency’s authority in
 30 accordance with the provisions of the code if, under ORS 279A.025, the code does not apply to the
 31 contract or contracting agency.

32 (2)(a) Except as otherwise provided in paragraph (b) of this subsection and the Public Con-
 33 tracting Code, for state agencies the Director of the Oregon Department of Administrative Services
 34 has all the authority available to carry out the provisions of the Public Contracting Code.

35 (b) Except as otherwise provided in the Public Contracting Code, for state agencies the director
 36 may delegate to the State Chief Information Officer the authority to procure or supervise the pro-
 37 curement of all goods, services and personal services related to information technology and tele-
 38 communications for state contracting agencies. This paragraph does not apply to contracts under
 39 which the contractor delivers to the state agency information technology products or services inci-
 40 dentally in performing a personal services contract described in ORS chapter 279C or a construction
 41 contract described in ORS chapter 279C.

42 (3) Except as otherwise provided in the Public Contracting Code, the Director of Transportation
 43 has all the authority available to:

44 (a) Procure or supervise the procurement of all services and personal services to construct, ac-
 45 quire, plan, design, maintain and operate passenger terminal facilities and motor vehicle parking

1 facilities in connection with any public transportation system in accordance with ORS 184.689 (5);

2 (b) Procure or supervise the procurement of all goods, services, public improvements and per-
 3 sonal services that relate to operating, maintaining or constructing highways, bridges and other
 4 transportation facilities that are subject to the authority of the Department of Transportation; and

5 (c) Establish standards for, prescribe forms for and conduct the prequalification of prospective
 6 bidders on public improvement contracts that relate to operating, maintaining or constructing
 7 highways, bridges and other transportation facilities that are subject to the authority of the De-
 8 partment of Transportation.

9 (4) Except as otherwise provided in the Public Contracting Code, the Secretary of State has all
 10 the authority to procure or supervise the procurement of goods, services and personal services re-
 11 lated to programs under the authority of the Secretary of State.

12 (5) Except as otherwise provided in the Public Contracting Code, the State Treasurer has all the
 13 authority to procure or supervise the procurement of goods, services and personal services related
 14 to programs under the authority of the State Treasurer.

15 (6) The state agencies listed in this subsection have all the authority to do the following in ac-
 16 cordance with the Public Contracting Code:

17 (a) The Department of Human Services to procure or supervise the procurement of goods, ser-
 18 vices and personal services under ORS 179.040 for the department's institutions and the procurement
 19 of goods, services and personal services for constructing, demolishing, exchanging, maintaining, op-
 20 erating and equipping housing for the purpose of providing care to individuals with intellectual
 21 disabilities or other developmental disabilities, subject to applicable provisions of ORS 427.335;

22 (b) The Oregon [*Health Authority*] **Department of Health** to procure or supervise the procure-
 23 ment of goods, services and personal services under ORS 179.040 and construction materials, equip-
 24 ment and supplies for the [*authority's*] **department's** institutions and the procurement of goods,
 25 services, personal services, construction materials, equipment and supplies for constructing, demol-
 26 ishing, exchanging, maintaining, operating and equipping housing for individuals with chronic mental
 27 illness, subject to applicable provisions of ORS 426.504;

28 (c) The State Department of Fish and Wildlife to procure or supervise the procurement of con-
 29 struction materials, equipment, supplies, services and personal services for public improvements,
 30 public works or ordinary construction described in ORS 279C.320 that is subject to the authority
 31 of the State Department of Fish and Wildlife;

32 (d) The State Parks and Recreation Department to procure or supervise the procurement of all
 33 goods, services, public improvements and personal services related to state parks;

34 (e) The Oregon Department of Aviation to procure or supervise the procurement of construction
 35 materials, equipment, supplies, services and personal services for public improvements, public works
 36 or ordinary construction described in ORS 279C.320 that is subject to the authority of the Oregon
 37 Department of Aviation;

38 (f) The Oregon Business Development Department to procure or supervise the procurement of
 39 all goods, services, personal services and public improvements related to its foreign trade offices
 40 operating outside the state;

41 (g) The Housing and Community Services Department to procure or supervise the procurement
 42 of goods, services and personal services as provided in ORS 279A.025 (2)(o);

43 (h) The Department of Corrections to procure or supervise the procurement of construction
 44 materials, equipment, supplies, services and personal services for public improvements, public works
 45 or ordinary construction described in ORS 279C.320 that is subject to the authority of the Depart-

1 ment of Corrections;

2 (i) The Department of Corrections, subject to any applicable provisions of ORS 279A.120,
3 279A.125, 279A.145 and 283.110 to 283.395, to procure or supervise the procurement of goods, ser-
4 vices and personal services under ORS 179.040 for its institutions;

5 (j) The Department of Veterans' Affairs to procure or supervise the procurement of real estate
6 broker and principal real estate broker services related to programs under the department's au-
7 thority;

8 (k) The Oregon Military Department to procure or supervise the procurement of construction
9 materials, equipment, supplies, services and personal services for public improvements, public works
10 or ordinary construction described in ORS 279C.320 that is subject to the authority of the Oregon
11 Military Department;

12 (L) The Department of Education, subject to any applicable provisions of ORS 329.075, 329.085
13 and 329.485 and the federal Every Student Succeeds Act (P.L. 114-95, 129 Stat. 1802), to procure or
14 supervise the procurement of goods, services, personal services and information technology related
15 to student assessment;

16 (m) The Department of Early Learning and Care to procure or supervise the procurement of
17 goods, services, personal services and information technology related to early childhood; and

18 (n) Any state agency to conduct a procurement when the agency is specifically authorized by
19 any provision of law other than the Public Contracting Code to enter into a contract.

20 (7)(a) Notwithstanding this section and ORS 279A.140 (1), the Director of the Oregon Depart-
21 ment of Administrative Services has exclusive authority, unless the director delegates the authority,
22 to procure or supervise the procurement of all price agreements on behalf of the state agencies
23 identified in subsection (6) of this section under which more than one state agency may order goods,
24 services or personal services.

25 (b) The director may delegate to the State Chief Information Officer the exclusive authority to
26 procure or supervise the procurement of all price agreements related to information technology and
27 telecommunications on behalf of the state agencies identified in subsection (6) of this section.
28 Notwithstanding any authority that a state agency may have under subsection (3) or (6) of this
29 section, the state agency may not establish a price agreement or enter into a contract for goods,
30 services or personal services without the approval of the director or the State Chief Information
31 Officer if the director or the State Chief Information Officer has established a price agreement for
32 the goods, services or personal services.

33 (c) The State Chief Information Officer may review any solicitation document for procuring in-
34 formation technology or telecommunications that a state agency intends to issue before the state
35 agency issues the solicitation document and may require the state agency to name the State Chief
36 Information Officer as a third-party beneficiary with full authority to enforce the terms and condi-
37 tions of any public contract for information technology or telecommunications. The State Chief In-
38 formation Officer must approve a state agency's procurement for information technology or
39 telecommunications if the procurement has an anticipated contract price of \$1 million or more. The
40 State Chief Information Officer may require the state agency to name the State Chief Information
41 Officer as the contracting party on behalf of the State of Oregon in a procurement for information
42 technology or telecommunications that has an anticipated contract price of \$1 million or more.

43 **SECTION 201.** ORS 285A.213 is amended to read:

44 285A.213. (1) There is established in the State Treasury, separate and distinct from the General
45 Fund, the Safe Drinking Water Revolving Loan Fund. All moneys in the Safe Drinking Water Re-

1 involving Loan Fund are continuously appropriated to the Oregon Business Development Department
 2 for the Oregon Infrastructure Finance Authority for the purposes set forth in this section.

3 (2) The Oregon Infrastructure Finance Authority shall administer the Safe Drinking Water Re-
 4 volving Loan Fund in accordance with a memorandum of understanding between the Oregon
 5 Infrastructure Finance Authority and the Oregon *[Health Authority]* **Department of Health**.

6 (3) The Safe Drinking Water Revolving Loan Fund shall consist of:

7 (a) Moneys transferred to the fund by the Oregon *[Health Authority]* **Department of Health** for
 8 purposes authorized by the memorandum of understanding between the Oregon *[Health Authority]*
 9 **Department of Health** and the Oregon Infrastructure Finance Authority.

10 (b) Moneys transferred to the fund by the federal government, other state agencies or local
 11 governments.

12 (c) Moneys transferred to the fund by the Legislative Assembly or the Oregon Infrastructure
 13 Finance Authority.

14 (d) Proceeds from the sale of revenue bonds.

15 (e) Repayment of financial assistance provided with moneys from the fund.

16 (f) Interest and other earnings on moneys in the fund.

17 (4) Moneys in the Safe Drinking Water Revolving Loan Fund shall be used to provide financial
 18 or other assistance to publicly owned and privately owned water systems under the Safe Drinking
 19 Water Act Amendments of 1996, P.L. 104-182, and rules of the Oregon Business Development De-
 20 partment. As used in this subsection, “assistance” includes direct purchase by the Oregon
 21 Infrastructure Finance Authority of goods or services related to a water system project to the ex-
 22 tent permitted by the memorandum of understanding between the Oregon Infrastructure Finance
 23 Authority and the Oregon *[Health Authority]* **Department of Health**, and by the Safe Drinking
 24 Water Act Amendments of 1996, and as authorized by rules of the Oregon Business Development
 25 Department.

26 (5) The owner of a water system may borrow from the Safe Drinking Water Revolving Loan
 27 Fund by entering into a loan agreement with the Oregon Infrastructure Finance Authority. The
 28 owner of a municipally owned water system may enter into a loan agreement with the Oregon
 29 Infrastructure Finance Authority notwithstanding any restriction on indebtedness in the charter or
 30 bylaws of the municipality or any other provision of law. Moneys owed to the Oregon Infrastructure
 31 Finance Authority by the borrower under a loan agreement may be paid from:

32 (a) Revenue from any water system project of the borrower, including special assessment re-
 33 venue;

34 (b) Amounts withheld under subsection (6) of this section;

35 (c) The general fund of the borrower;

36 (d) Any combination of sources listed in paragraphs (a) to (c) of this subsection; or

37 (e) Any other source.

38 (6) If a borrower fails to comply with a loan agreement entered into under subsection (5) of this
 39 section, the Oregon Business Development Department may seek appropriate legal remedies to se-
 40 cure any repayment due the Safe Drinking Water Revolving Loan Fund. If a borrower defaults on
 41 repayment due the fund, the State of Oregon may withhold any amounts otherwise due to the bor-
 42 rower. Any amounts withheld under this subsection shall be credited toward repayment of the
 43 borrower’s indebtedness to the fund.

44 **SECTION 202.** ORS 285B.563 is amended to read:

45 285B.563. (1) There is established in the State Treasury, separate and distinct from the General

1 Fund, the Water Fund. Interest earned by the Water Fund shall be credited to the fund. All moneys
 2 in the Water Fund are continuously appropriated to the Oregon Business Development Department
 3 for the Oregon Infrastructure Finance Authority for the purposes described in ORS 285B.560 to
 4 285B.599, including the direct project management costs.

5 (2)(a) Moneys in the Water Fund may be obligated to water projects.

6 (b) Moneys shall be used primarily to make loans to municipalities. The [authority] **Oregon**
 7 **Infrastructure Finance Authority** may make a loan only if:

8 (A) The municipality applying for the loan certifies to the department that adequate funds will
 9 be available to repay the loan; and

10 (B) The authority determines that the amount of the loan applied for is based on a reasonable
 11 and prudent expectation of the municipality's ability to repay the loan.

12 (c) The authority may award a grant if a loan is not feasible due to:

13 (A) Financial hardship to the municipality, as determined by the authority, based on consider-
 14 ation of anticipated water service charges or anticipated waste water service charges, the per capita
 15 income of the municipality and any other factors as the department by rule may establish; and

16 (B) Special circumstances of the water project.

17 (d) The authority may also award grants from the fund to:

18 (A) Identify and implement sustainable technologies and practices;

19 (B) Build asset management capacity for municipalities;

20 (C) Plan for strategic initiatives that focus on the regionalization of water systems; or

21 (D) Provide third party technical assistance to communities in the development of water systems
 22 that include asset management components.

23 (e) The authority may determine the amount of grant or loan funding on a case-by-case basis.

24 (3) The moneys in the fund may also be used to assist the [authority] **Oregon Infrastructure**
 25 **Finance Authority** in selling revenue bonds on behalf of municipalities in order to carry out the
 26 purposes of ORS 285B.560 to 285B.599.

27 (4) Moneys in the Water Fund may be invested as provided by ORS 293.701 to 293.857. The
 28 earnings from the investments and other program income shall be credited to the Water Fund.

29 (5) The Water Fund shall consist of:

30 (a) Moneys appropriated to the fund by the Legislative Assembly.

31 (b) Moneys transferred to the fund by the authority from the Special Public Works Fund created
 32 by ORS 285B.455.

33 (c) Moneys transferred to the Water Fund by the Water Resources Commission from the Water
 34 Development Fund created by Article XI-I(1) of the Oregon Constitution.

35 (d) Moneys from any federal, state or other grants.

36 (e) Proceeds of revenue bonds issued under ORS 285B.575.

37 (f) Earnings on the Water Fund.

38 (6) The [authority] **Oregon Infrastructure Finance Authority** shall administer the fund.

39 (7) The [department] **Oregon Business Development Department** shall adopt rules and policies
 40 for the administration of the fund. The [department] **Oregon Business Development Department**
 41 shall coordinate its rulemaking regarding safe drinking water projects with the Water Resources
 42 Department and the Oregon [Health Authority] **Department of Health**. The rules adopted under this
 43 subsection for safe drinking water projects shall:

44 (a) Require the installation of meters on all new active service connections from any distribution
 45 lines funded with moneys from the fund or from the proceeds of revenue bonds issued under ORS

1 285B.572 to 285B.578.

2 (b) Require a plan, to be adopted by a municipality receiving financial assistance from the fund,
3 for installation of meters on all service connections throughout the drinking water system not later
4 than two years after the completion of a safe drinking water project.

5 (8)(a) The Oregon Infrastructure Finance Authority shall manage the Water Fund and any
6 expenditures from accounts in the fund and transfers between accounts so that the fund provides a
7 continuing source of financing consistent with ORS 285B.413.

8 (b) If necessary to ensure repayment of bonds issued under ORS 285B.560 to 285B.599, the au-
9 thority may reduce the value of the fund when the authority:

10 (A) Finds that without a reduction in fund value, bonds secured by the fund are likely to be in
11 default; and

12 (B) Imposes a moratorium on grants until the requirements of paragraph (a) of this subsection
13 are satisfied.

14 (9)(a) The authority may charge administrative costs to the fund, but not to moneys segregated
15 in the account created by subsection (11) of this section, to pay for administrative costs incurred
16 by the authority.

17 (b) To the extent permitted by federal law, administrative costs of the authority may be paid
18 from bond proceeds.

19 (10) The authority may establish other accounts within the Water Fund for the payment of water
20 projects costs, reserves, debt service payments, credit enhancements, costs of issuing revenue bonds,
21 administrative costs and operating expenses or any other purpose necessary to carry out ORS
22 285B.560 to 285B.599.

23 (11) There is created within the Water Fund a separate and distinct account for the proceeds
24 from the sale of water development general obligation bonds issued for safe drinking water projects
25 and credited to the special account under this section. Any investment earnings thereon shall be
26 segregated in and continuously appropriated to a special, separately accounted for subaccount of
27 this account. Moneys credited to this account shall be maintained separate and distinct from moneys
28 credited to subaccounts created under subsection (10) of this section. Notwithstanding ORS
29 285B.566 or subsection (4) of this section, all repayments of moneys loaned from the account created
30 by this subsection, including interest on the moneys, shall be credited to the Water Development
31 Administration and Bond Sinking Fund created by ORS 541.830.

32 (12) As used in this section, "administrative costs" include the authority's direct and indirect
33 costs for investigating and processing an application, developing a contract, monitoring the use of
34 funds by a municipality, investigating and resolving a budget discrepancy, closing a project and
35 providing financial and other assistance to a municipality.

36 **SECTION 203.** ORS 292.051 is amended to read:

37 292.051. (1) Except as authority over contracts for health benefit plans described in ORS 243.135
38 is vested in the Public Employees' Benefit Board, upon receipt of the request in writing of an officer
39 or employee so to do, the state official authorized to disburse funds in payment of the salary or
40 wages of the officer or employee may deduct from the salary or wages of the officer or employee
41 an amount of money indicated in the request for payment of the applicable amount set forth in
42 benefit plans selected by the officers or employees or in their behalf for:

43 (a) Group life insurance, including life insurance for dependents of officers or employees.

44 (b) Group dental and related services and supplies, or any other remedial care recognized by
45 state law and related services and supplies, other than medical, surgical or hospital care, recognized

1 under state law, including such insurance for dependents of state officers or employees.

2 (c) Group indemnity insurance for accidental death and dismemberment and for loss of income
3 due to accident, sickness or other disability, including such insurance for dependents of state offi-
4 cers or employees.

5 (d) Automobile casualty insurance under a monthly payroll deduction program endorsed or of-
6 fered by an employee organization representing 500 or more state employees. Membership in the
7 employee organization is not a requirement for participation in this program.

8 (e) Legal insurance under a monthly payroll deduction program endorsed or offered by an em-
9 ployee organization representing 500 or more state employees.

10 (f) Self-insurance programs that are approved and provided by the Public Employees' Benefit
11 Board.

12 (2) The Oregon [*Health Authority*] **Department of Health** may establish and collect a fee to
13 cover costs of administering this section.

14 (3) No state official authorized to disburse funds in payment of salaries or wages is required to
15 make deductions as authorized by subsection (1) of this section for more than one benefit plan of the
16 type referred to in each of the paragraphs in subsection (1) of this section per eligible employee.

17 (4) Moneys deducted under subsection (1) of this section shall be paid over promptly:

18 (a) To the insurance companies, agencies or hospital associations, or persons responsible for
19 payment of premiums to the companies, agencies or associations, in accordance with the terms of
20 the contracts made by the officers or employees or in their behalf; or

21 (b) With respect to self-insurance benefits, in accordance with rules, procedures and directions
22 of the Public Employees' Benefit Board.

23 (5) As used in this section, "officer or employee" means all persons who receive salaries or
24 wages disbursed by any state official.

25 **SECTION 204.** ORS 314.840 is amended to read:

26 314.840. (1) The Department of Revenue may:

27 (a) Furnish any taxpayer, representative authorized to represent the taxpayer under ORS 305.239
28 or person designated by the taxpayer under ORS 305.193, upon request of the taxpayer, represen-
29 tative or designee, with a copy of the taxpayer's income tax return filed with the department for
30 any year, or with a copy of any report filed by the taxpayer in connection with the return, or with
31 any other information the department considers necessary.

32 (b) Publish lists of taxpayers who are entitled to unclaimed tax refunds.

33 (c) Publish statistics so classified as to prevent the identification of income or any particulars
34 contained in any report or return.

35 (d) Disclose a taxpayer's name, address, telephone number, refund amount, amount due, Social
36 Security number, employer identification number or other taxpayer identification number to the ex-
37 tent necessary in connection with collection activities or the processing and mailing of correspond-
38 ence or of forms for any report or return required in the administration of any local tax under ORS
39 305.620 or any law imposing a tax upon or measured by net income.

40 (2) The department also may disclose and give access to information described in ORS 314.835
41 to:

42 (a) The Governor of the State of Oregon or the authorized representative of the Governor with
43 respect to an individual who is designated as being under consideration for appointment or reap-
44 pointment to an office or for employment in the office of the Governor. The information disclosed
45 shall be confined to whether the individual:

1 (A) Has filed returns with respect to the taxes imposed by ORS chapter 316 for those of not
2 more than the three immediately preceding years for which the individual was required to file an
3 Oregon individual income tax return.

4 (B) Has failed to pay any tax within 30 days from the date of mailing of a deficiency notice or
5 otherwise respond to a deficiency notice within 30 days of its mailing.

6 (C) Has been assessed any penalty under the Oregon personal income tax laws and the nature
7 of the penalty.

8 (D) Has been or is under investigation for possible criminal offenses under the Oregon personal
9 income tax laws. Information disclosed pursuant to this paragraph shall be used only for the purpose
10 of making the appointment, reappointment or decision to employ or not to employ the individual in
11 the office of the Governor.

12 (b) An officer or employee of the Oregon Department of Administrative Services duly authorized
13 or employed to prepare revenue estimates, or a person contracting with the Oregon Department of
14 Administrative Services to prepare revenue estimates, in the preparation of revenue estimates re-
15 quired for the Governor's budget under ORS 291.201 to 291.224, or required for submission to the
16 Emergency Board or the Joint Interim Committee on Ways and Means, or if the Legislative As-
17 sembly is in session, to the Joint Committee on Ways and Means, and to the Legislative Revenue
18 Officer or Legislative Fiscal Officer under ORS 291.342, 291.348 and 291.445. The Department of
19 Revenue shall disclose and give access to the information described in ORS 314.835 for the purposes
20 of this paragraph only if:

21 (A) The request for information is made in writing, specifies the purposes for which the request
22 is made and is signed by an authorized representative of the Oregon Department of Administrative
23 Services. The form for request for information shall be prescribed by the Oregon Department of
24 Administrative Services and approved by the Director of the Department of Revenue.

25 (B) The officer, employee or person receiving the information does not remove from the premises
26 of the Department of Revenue any materials that would reveal the identity of a personal or corpo-
27 rate taxpayer.

28 (c) The Commissioner of Internal Revenue or authorized representative, for tax administration
29 and compliance purposes only.

30 (d) For tax administration and compliance purposes, the proper officer or authorized represen-
31 tative of any of the following entities that has or is governed by a provision of law that meets the
32 requirements of any applicable provision of the Internal Revenue Code as to confidentiality:

33 (A) A state;

34 (B) A city, county or other political subdivision of a state;

35 (C) The District of Columbia; or

36 (D) An association established exclusively to provide services to federal, state or local taxing
37 authorities.

38 (e) The Multistate Tax Commission or its authorized representatives, for tax administration and
39 compliance purposes only. The Multistate Tax Commission may make the information available to
40 the Commissioner of Internal Revenue or the proper officer or authorized representative of any
41 governmental entity described in and meeting the qualifications of paragraph (d) of this subsection.

42 (f) The Attorney General, assistants and employees in the Department of Justice, or other legal
43 representative of the State of Oregon, to the extent the department deems disclosure or access
44 necessary for the performance of the duties of advising or representing the department pursuant to
45 ORS 180.010 to 180.240 and the tax laws of the state.

1 (g) Employees of the State of Oregon, other than of the Department of Revenue or Department
2 of Justice, to the extent the department deems disclosure or access necessary for such employees
3 to perform their duties under contracts or agreements between the department and any other de-
4 partment, agency or subdivision of the State of Oregon, in the department's administration of the
5 tax laws.

6 (h) Other persons, partnerships, corporations and other legal entities, and their employees, to
7 the extent the department deems disclosure or access necessary for the performance of such others'
8 duties under contracts or agreements between the department and such legal entities, in the
9 department's administration of the tax laws.

10 (i) The Legislative Revenue Officer or authorized representatives upon compliance with ORS
11 173.850. Such officer or representative shall not remove from the premises of the department any
12 materials that would reveal the identity of any taxpayer or any other person.

13 (j) The Department of Consumer and Business Services, to the extent the department requires
14 such information to determine whether it is appropriate to adjust those workers' compensation
15 benefits the amount of which is based pursuant to ORS chapter 656 on the amount of wages or
16 earned income received by an individual.

17 (k) Any agency of the State of Oregon, or any person, or any officer or employee of such agency
18 or person to whom disclosure or access is given by state law and not otherwise referred to in this
19 section, including but not limited to the Secretary of State as Auditor of Public Accounts under
20 Article VI, section 2, of the Oregon Constitution; the Department of Human Services pursuant to
21 ORS 412.094; the Division of Child Support of the Department of Justice and district attorney re-
22 garding cases for which they are providing support enforcement services under ORS 25.080; the
23 State Board of Tax Practitioners, pursuant to ORS 673.710; and the Oregon Board of Accountancy,
24 pursuant to ORS 673.415.

25 (L) The Director of the Department of Consumer and Business Services to determine that a
26 person complies with ORS chapter 656 and the Director of the Employment Department to determine
27 that a person complies with ORS chapter 657, the following employer information:

28 (A) Identification numbers.

29 (B) Names and addresses.

30 (C) Inception date as employer.

31 (D) Nature of business.

32 (E) Entity changes.

33 (F) Date of last payroll.

34 (m) The Director of the Oregon [*Health Authority*] **Department of Health** to determine that a
35 person has the ability to pay for care that includes services provided by the Oregon State Hospital,
36 or the Oregon [*Health Authority*] **Department of Health** to collect any unpaid cost of care as pro-
37 vided by ORS chapter 179.

38 (n) Employees of the Employment Department to the extent the Department of Revenue deems
39 disclosure or access to information on a combined tax report filed under ORS 316.168 is necessary
40 to performance of their duties in administering the tax imposed by ORS chapter 657.

41 (o) The State Fire Marshal to assist the State Fire Marshal in carrying out duties, functions and
42 powers under ORS 453.307 to 453.414, the employer or agent name, address, telephone number and
43 standard industrial classification, if available.

44 (p) Employees of the Department of State Lands or State Treasurer for the purposes of returning
45 unclaimed property and identifying, locating and publishing lists of taxpayers entitled to unclaimed

1 refunds under ORS 98.302 to 98.436.

2 (q) In addition to the disclosure allowed under ORS 305.225, state or local law enforcement
3 agencies to assist in the investigation or prosecution of the following criminal activities:

4 (A) Mail theft of a check, in which case the information that may be disclosed shall be limited
5 to the stolen document, the name, address and taxpayer identification number of the payee, the
6 amount of the check and the date printed on the check.

7 (B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department
8 of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information
9 that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, ad-
10 dress and taxpayer identification number of the payee, the amount of the check, the date printed
11 on the check and the altered name and address.

12 (r) The United States Postal Inspection Service or a federal law enforcement agency, including
13 but not limited to the United States Department of Justice, to assist in the investigation of the fol-
14 lowing criminal activities:

15 (A) Mail theft of a check, in which case the information that may be disclosed shall be limited
16 to the stolen document, the name, address and taxpayer identification number of the payee, the
17 amount of the check and the date printed on the check.

18 (B) The counterfeiting, forging or altering of a check submitted by a taxpayer to the Department
19 of Revenue or issued by the Department of Revenue to a taxpayer, in which case the information
20 that may be disclosed shall be limited to the counterfeit, forged or altered document, the name, ad-
21 dress and taxpayer identification number of the payee, the amount of the check, the date printed
22 on the check and the altered name and address.

23 (s) The United States Financial Management Service, for purposes of facilitating the offsets de-
24 scribed in ORS 305.612.

25 (t) A municipal corporation of this state for purposes of assisting the municipal corporation in
26 the administration of a tax of the municipal corporation that is imposed on or measured by income,
27 wages or net earnings from self-employment. Any disclosure under this paragraph may be made only
28 pursuant to a written agreement between the Department of Revenue and the municipal corporation
29 that ensures the confidentiality of the information disclosed.

30 (u) A consumer reporting agency, to the extent necessary to carry out the purposes of ORS
31 314.843.

32 (v) The Public Employees Retirement Board, to the extent necessary to carry out the purposes
33 of ORS 238.372 to 238.384, and to any public employer, to the extent necessary to carry out the
34 purposes of ORS 237.635 (3) and 237.637 (2).

35 (w) The Secretary of State for the purpose of initiating or supporting a recommendation under
36 ORS 60.032 (3) or 63.032 (3) to administratively dissolve a corporation or limited liability company
37 that the Director of the Department of Revenue determines has failed to comply with applicable tax
38 laws of the state.

39 (x)(A) A multijurisdictional information sharing organization formed with oversight by the
40 Internal Revenue Service to combat identity theft and fraud, if the Department of Revenue is a
41 member of the organization; and

42 (B) Tax preparation software vendors that are members of an organization described in subpar-
43 agraph (A) of this paragraph, if information described in ORS 314.835 is shared for the purpose of
44 investigating industry leads of potential identity theft or fraud.

45 (y) The State Treasurer, for the purpose of providing employer responses, as indicated on annual

1 withholding reports submitted to the Department of Revenue, about whether an employer offers a
 2 qualified retirement savings plan as listed in ORS 178.215.

3 (z) The Oregon 529 Savings Board, for the purpose of facilitating the establishment of accounts
 4 by personal income taxpayers under ORS 178.335 within the Oregon 529 Savings Network through
 5 the use of income tax return forms.

6 (3)(a) Each officer or employee of the department and each person described or referred to in
 7 subsection (2)(a), (b), (f) to (L), (n) to (q) or (w) of this section to whom disclosure or access to the
 8 tax information is given under subsection (2) of this section or any other provision of state law,
 9 prior to beginning employment or the performance of duties involving such disclosure or access,
 10 shall be advised in writing of the provisions of ORS 314.835 and 314.991, relating to penalties for the
 11 violation of ORS 314.835, and shall as a condition of employment or performance of duties execute
 12 a certificate for the department, in a form prescribed by the department, stating in substance that
 13 the person has read these provisions of law, that the person has had them explained and that the
 14 person is aware of the penalties for the violation of ORS 314.835.

15 (b) The disclosure authorized in subsection (2)(r) of this section shall be made only after a
 16 written agreement has been entered into between the Department of Revenue and the person de-
 17 scribed in subsection (2)(r) of this section to whom disclosure or access to the tax information is
 18 given, providing that:

19 (A) Any information described in ORS 314.835 that is received by the person pursuant to sub-
 20 section (2)(r) of this section is confidential information that may not be disclosed, except to the ex-
 21 tent necessary to investigate or prosecute the criminal activities described in subsection (2)(r) of
 22 this section;

23 (B) The information shall be protected as confidential under applicable federal and state laws;
 24 and

25 (C) The United States Postal Inspection Service or the federal law enforcement agency shall
 26 give notice to the Department of Revenue of any request received under the federal Freedom of In-
 27 formation Act, 5 U.S.C. 552, or other federal law relating to the disclosure of information.

28 (4) The Department of Revenue may recover the costs of furnishing the information described
 29 in subsection (2)(L), (m) and (o) to (q) of this section from the respective agencies.

30 **SECTION 205.** ORS 315.613 is amended to read:

31 315.613. (1) An annual credit against the taxes otherwise due under ORS chapter 316 shall be
 32 allowed to a resident or nonresident individual who is:

33 (a) Certified as eligible under ORS 442.563;

34 (b) Licensed under ORS chapter 677;

35 (c) Engaged in the practice of medicine, and engaged for at least 20 hours per week, averaged
 36 over the month, during the tax year in a rural practice; and

37 (d) Has adjusted gross income not in excess of \$300,000 for the tax year. The limitation in this
 38 paragraph does not apply to a physician who practices as a general surgeon, specializes in
 39 obstetrics, specializes in family or general practice and provides obstetrical services or practices
 40 emergency medicine in a county that is a frontier rural practice county under rules adopted by the
 41 Office of Rural Health.

42 (2) The amount of credit allowed shall be based on the distance from a major population center
 43 in a qualified metropolitan statistical area at which the taxpayer maintains a practice or hospital
 44 membership:

45 (a) If at least 10 miles but fewer than 20 miles, \$3,000.

1 (b) If at least 20 miles but fewer than 50 miles, \$4,000.

2 (c) If 50 or more miles, \$5,000.

3 (3) The credit shall be allowed during the time in which the individual retains such practice and
4 membership if the individual is actively practicing in and is a member of the medical staff of one
5 of the following hospitals:

6 (a) A type A hospital designated as such by the Office of Rural Health;

7 (b) A type B hospital designated as such by the Office of Rural Health if the hospital is:

8 (A) Not within the boundaries of a metropolitan statistical area;

9 (B) Located 30 or more miles from the closest hospital within the major population center in a
10 metropolitan statistical area; or

11 (C) Located in a county with a population of less than 75,000;

12 (c) A type C rural hospital, if the Office of Rural Health makes the findings required by ORS
13 315.619;

14 (d) A rural critical access hospital; or

15 (e) A hospital:

16 (A) Classified by the Centers for Medicare and Medicaid Services as a rural referral center in
17 accordance with 42 U.S.C. 1395ww(d)(5)(C)(i); and

18 (B) Classified by the Centers for Medicare and Medicaid Services as a sole community hospital
19 in accordance with 42 U.S.C. 1395ww(d)(5)(D)(iii).

20 (4) In order to claim the credit allowed under this section, the individual must remain willing
21 during the tax year to serve patients with Medicare coverage and patients receiving medical as-
22 sistance in at least the same proportion to the individual's total number of patients as the Medicare
23 and medical assistance populations represent of the total number of persons determined by the Of-
24 fice of Rural Health to be in need of care in the county served by the practice, not to exceed 20
25 percent Medicare patients or 15 percent medical assistance patients.

26 (5) A nonresident individual shall be allowed the credit under this section in the proportion
27 provided in ORS 316.117. If a change in the status of a taxpayer from resident to nonresident or from
28 nonresident to resident occurs, the credit allowed by this section shall be determined in a manner
29 consistent with ORS 316.117.

30 (6) For purposes of this section, an "individual's practice" shall be determined on the basis of
31 actual time spent in practice each week in hours or days, whichever is considered by the Office of
32 Rural Health to be more appropriate. In the case of a shareholder of a corporation or a member of
33 a partnership, only the time of the individual shareholder or partner shall be considered and the full
34 amount of the credit shall be allowed to each shareholder or partner who qualifies in an individual
35 capacity.

36 (7) As used in this section:

37 (a) "Qualified metropolitan statistical area" means only those counties of a metropolitan statis-
38 tical area that are located in Oregon if the largest city within the metropolitan statistical area is
39 located in Oregon.

40 (b) "Rural critical access hospital" means a facility that meets the criteria set forth in 42 U.S.C.
41 1395i-4 (c)(2)(B) and that has been designated a critical access hospital by the Office of Rural Health
42 and the Oregon [*Health Authority*] **Department of Health**.

43 (c) "Type A hospital," "type B hospital" and "type C hospital" have the meaning for those terms
44 provided in ORS 442.470.

45 **SECTION 206.** ORS 320.308 is amended to read:

1 320.308. The following are exempt from the state transient lodging tax:

2 (1) A dwelling unit in a hospital, health care facility, long term care facility or any other resi-
3 dential facility that is licensed, registered or certified by the Department of Human Services or the
4 Oregon [*Health Authority*] **Department of Health**.

5 (2) A dwelling unit in a facility providing treatment for drug or alcohol abuse or providing
6 mental health treatment.

7 (3) A dwelling unit that is used by members of the general public for temporary human occu-
8 pancy for fewer than 30 days per year. The exemption granted under this subsection does not apply
9 to a dwelling unit that is rented out as transient lodging using a platform of any kind provided in
10 any manner by a transient lodging intermediary.

11 (4) A dwelling unit, the consideration for which is funded through a contract with a government
12 agency and the purpose of which is to provide emergency or temporary shelter.

13 (5) A dwelling unit at a nonprofit youth or church camp, nonprofit conference center or other
14 nonprofit facility.

15 (6) A dwelling unit that is leased or otherwise occupied by the same person for a consecutive
16 period of 30 days or more during the year. The requirements of this subsection are satisfied even
17 if the physical dwelling unit changes during the consecutive period, if:

18 (a) All dwelling units occupied are within the same facility; and

19 (b) The person paying consideration for the transient lodging is the same person throughout the
20 consecutive period.

21 (7) Barracks, quarters or other facilities or space located on installations owned, operated or
22 controlled by the Oregon Military Department that are used for temporary overnight human occu-
23 pancy by:

24 (a) Active or retired members or service veterans of the Armed Forces of the United States or
25 the National Guard or other reserve component of the Armed Forces of the United States; or

26 (b) Employees or agents of the Oregon Military Department.

27 **SECTION 207.** ORS 323.404 is amended to read:

28 323.404. (1) Notwithstanding the confidentiality provisions of ORS 323.403, the Department of
29 Revenue may disclose information received under ORS 323.005 to 323.482 to the Oregon [*Health*
30 *Authority*] **Department of Health** to carry out the provisions of ORS 167.750 to 167.780, 431A.175
31 or 431A.183.

32 (2) The [*authority*] **Oregon Department of Health** may disclose information obtained pursuant
33 to ORS 431A.175 or 431A.183 to the Department **of Revenue** for the purpose of carrying out the
34 provisions of ORS 323.005 to 323.482, provided that the [*authority*] **Oregon Department of Health**
35 does not disclose personally identifiable information.

36 **SECTION 208.** ORS 323.455 is amended to read:

37 323.455. (1) All moneys received by the Department of Revenue from the tax imposed by ORS
38 323.030 (1) shall be paid over to the State Treasurer to be held in a suspense account established
39 under ORS 293.445. The department may pay expenses for administration and enforcement of ORS
40 323.005 to 323.482 out of moneys received from the tax imposed under ORS 323.030 (1), after all
41 amounts available under ORS 323.459, for expenses for administration and enforcement of ORS
42 323.005 to 323.482 have been used. Amounts necessary to pay administrative and enforcement ex-
43 penses are continuously appropriated to the department from the suspense account. After the pay-
44 ment of administrative and enforcement expenses and refunds, 89.65 percent shall be credited to the
45 General Fund, 3.45 percent is appropriated to the cities of this state, 3.45 percent is appropriated

1 to the counties of this state and 3.45 percent is continuously appropriated to the Department of
2 Transportation for the purpose of financing and improving transportation services for elderly indi-
3 viduals and individuals with disabilities as provided in ORS 391.800 to 391.830.

4 (2) The moneys appropriated to cities and counties under subsection (1) of this section shall be
5 paid on a monthly basis within 35 days after the end of the month for which a distribution is made.
6 Each city shall receive such share of the money appropriated to all cities as its population, as de-
7 termined under ORS 190.510 to 190.590 last preceding such apportionment, bears to the total popu-
8 lation of the cities of the state, and each county shall receive such share of the money as its
9 population, determined under ORS 190.510 to 190.590 last preceding such apportionment, bears to the
10 total population of the state.

11 (3) The moneys appropriated to the Department of Transportation under subsection (1) of this
12 section shall be distributed and transferred to the Elderly and Disabled Special Transportation Fund
13 established by ORS 391.800 at the same time as the cigarette tax moneys are distributed to cities
14 and counties under this section.

15 (4) Of the moneys credited to the General Fund under subsection (1) of this section, 51.92 per-
16 cent shall be dedicated to funding the maintenance and expansion of the number of persons eligible
17 for the medical assistance program under ORS chapter 414, or to funding the maintenance of the
18 benefits available under the program, or both, and 5.77 percent shall be credited to the Tobacco Use
19 Reduction Account established under ORS 431A.153.

20 (5) All moneys received by the Department of Revenue from the tax imposed by ORS 323.030 (4)
21 shall be paid over to the State Treasurer to be held in a suspense account established under ORS
22 293.445. After the payment of refunds, the balance shall be credited to the Oregon [*Health*
23 *Authority*] **Department of Health** Fund established by ORS 413.101 and shall be used to provide the
24 services described in ORS 430.630.

25 **SECTION 209.** ORS 323.455, as amended by section 11, chapter 15, Oregon Laws 2020 (first
26 special session), is amended to read:

27 323.455. (1) All moneys received by the Department of Revenue from the tax imposed by ORS
28 323.030 (1) shall be paid over to the State Treasurer to be held in a suspense account established
29 under ORS 293.445. The department may pay expenses for administration and enforcement of ORS
30 323.005 to 323.482 out of moneys received from the tax imposed under ORS 323.030 (1), after all
31 amounts available under ORS 323.459 for expenses for administration and enforcement of ORS
32 323.005 to 323.482 have been used. Amounts necessary to pay administrative and enforcement ex-
33 penses are continuously appropriated to the department from the suspense account. After the pay-
34 ment of administrative and enforcement expenses and refunds, 89.65 percent shall be credited to the
35 General Fund, 3.45 percent is appropriated to the cities of this state, 3.45 percent is appropriated
36 to the counties of this state and 3.45 percent is continuously appropriated to the Department of
37 Transportation for the purpose of financing and improving transportation services for older adults
38 and individuals with disabilities.

39 (2) The moneys appropriated to cities and counties under subsection (1) of this section shall be
40 paid on a monthly basis within 35 days after the end of the month for which a distribution is made.
41 Each city shall receive such share of the money appropriated to all cities as its population, as de-
42 termined under ORS 190.510 to 190.590 last preceding such apportionment, bears to the total popu-
43 lation of the cities of the state, and each county shall receive such share of the money as its
44 population, determined under ORS 190.510 to 190.590 last preceding such apportionment, bears to the
45 total population of the state.

1 (3) The moneys appropriated to the Department of Transportation under subsection (1) of this
 2 section shall be distributed and transferred to the Statewide Transportation Improvement Fund es-
 3 tablished in ORS 184.751 at the same time as the cigarette tax moneys are distributed to cities and
 4 counties under this section.

5 (4) Of the moneys credited to the General Fund under subsection (1) of this section, 51.92 per-
 6 cent shall be dedicated to funding the maintenance and expansion of the number of persons eligible
 7 for the medical assistance program under ORS chapter 414, or to funding the maintenance of the
 8 benefits available under the program, or both, and 5.77 percent shall be credited to the Tobacco Use
 9 Reduction Account established under ORS 431A.153.

10 (5) All moneys received by the Department of Revenue from the tax imposed by ORS 323.030 (4)
 11 shall be paid over to the State Treasurer to be held in a suspense account established under ORS
 12 293.445. After the payment of refunds, the balance shall be credited to the Oregon [*Health*
 13 *Authority*] **Department of Health** Fund established by ORS 413.101 and shall be used to provide the
 14 services described in ORS 430.630.

15 **SECTION 210.** ORS 323.457 is amended to read:

16 323.457. (1) Moneys received under ORS 323.031 (1) shall be paid over to the State Treasurer to
 17 be held in a suspense account established under ORS 293.445. After the payment of refunds:

18 (a) 29.37/30 of the moneys shall be credited to the Oregon [*Health Authority*] **Department of**
 19 **Health** Fund established under ORS 413.101;

20 (b) 0.14/30 of the moneys are continuously appropriated to the Oregon Department of Adminis-
 21 trative Services for distribution to the cities of this state;

22 (c) 0.14/30 of the moneys are continuously appropriated to the Oregon Department of Adminis-
 23 trative Services for distribution to the counties of this state;

24 (d) 0.14/30 of the moneys are continuously appropriated to the Department of Transportation to
 25 be distributed and transferred to the Elderly and Disabled Special Transportation Fund established
 26 under ORS 391.800; and

27 (e) 0.21/30 of the moneys shall be credited to the Tobacco Use Reduction Account established
 28 under ORS 431A.153.

29 (2)(a) Moneys distributed to cities and counties under this section shall be distributed to each
 30 city or county using the proportions used for distributions made under ORS 323.455.

31 (b) Moneys shall be distributed to cities, counties and the Elderly and Disabled Special Trans-
 32 portation Fund at the same time moneys are distributed to cities, counties and the Elderly and
 33 Disabled Special Transportation Fund under ORS 323.455.

34 **SECTION 211.** ORS 323.457, as amended by section 13, chapter 15, Oregon Laws 2020 (first
 35 special session), is amended to read:

36 323.457. (1) Moneys received under ORS 323.031 (1) shall be paid over to the State Treasurer to
 37 be held in a suspense account established under ORS 293.445. After the payment of refunds:

38 (a) 29.37/30 of the moneys shall be credited to the Oregon [*Health Authority*] **Department of**
 39 **Health** Fund established under ORS 413.101;

40 (b) 0.14/30 of the moneys are continuously appropriated to the Oregon Department of Adminis-
 41 trative Services for distribution to the cities of this state;

42 (c) 0.14/30 of the moneys are continuously appropriated to the Oregon Department of Adminis-
 43 trative Services for distribution to the counties of this state;

44 (d) 0.14/30 of the moneys are continuously appropriated to the Department of Transportation to
 45 be distributed and transferred to the Statewide Transportation Improvement Fund established in

1 ORS 184.751; and

2 (e) 0.21/30 of the moneys shall be credited to the Tobacco Use Reduction Account established
3 under ORS 431A.153.

4 (2)(a) Moneys distributed to cities and counties under this section shall be distributed to each
5 city or county using the proportions used for distributions made under ORS 323.455.

6 (b) Moneys shall be distributed to cities, counties and the Statewide Transportation Improve-
7 ment Fund at the same time moneys are distributed to cities, counties and the Statewide Transpor-
8 tation Improvement Fund under ORS 323.455.

9 **SECTION 212.** ORS 323.459 is amended to read:

10 323.459. All moneys received by the Department of Revenue from the tax imposed by ORS
11 323.031 (2) shall be paid over to the State Treasurer to be held in a suspense account established
12 under ORS 293.445. The department shall pay expenses for administration and enforcement of ORS
13 323.005 to 323.482 out of moneys received from the tax imposed under ORS 323.031 (2). Moneys used
14 for payment of expenses under this section shall equal 60.61 percent of all expenses for adminis-
15 tration and enforcement of ORS 323.005 to 323.482. Amounts necessary to pay administrative and
16 enforcement expenses are continuously appropriated to the department from the suspense account.
17 After the payment of administrative and enforcement expenses and refunds, the remaining balance
18 shall be credited to the Oregon [*Health Authority*] **Department of Health** Fund established by ORS
19 413.101 to be used as follows:

20 (1) 90 percent of the moneys are continuously appropriated to the Oregon [*Health Authority*]
21 **Department of Health** for the purposes of funding the maintenance and expansion of the number
22 of persons eligible for medical assistance and funding the maintenance of benefits available under
23 the medical assistance program, including mental health services.

24 (2) 10 percent of the moneys are continuously appropriated to the Oregon [*Health Authority*]
25 **Department of Health** for distribution to tribal health providers, Urban Indian Health programs,
26 regional health equity coalitions, culturally specific and community-specific health programs and
27 state and local public health programs that address prevention and cessation of tobacco and nicotine
28 use by youth and adults, tobacco-related health disparities and the prevention and management of
29 chronic disease related to tobacco and nicotine.

30 **SECTION 213.** ORS 323.597 is amended to read:

31 323.597. (1) Notwithstanding the confidentiality provisions of ORS 323.595, the Department of
32 Revenue may disclose information received under ORS 323.500 to 323.645 to the Oregon [*Health*
33 *Authority*] **Department of Health** to carry out the provisions of ORS 167.750 to 167.780, 431A.175
34 or 431A.183.

35 (2) The [*authority*] **Oregon Department of Health** may disclose information obtained pursuant
36 to ORS 431A.175 or 431A.183 to the Department **of Revenue** for the purpose of carrying out the
37 provisions of ORS 323.500 to 323.645, provided that the [*authority*] **department** does not disclose
38 personally identifiable information.

39 **SECTION 214.** ORS 323.627 is amended to read:

40 323.627. All moneys received by the Department of Revenue under the tax imposed on inhalant
41 delivery systems by ORS 323.505 shall be deposited in the State Treasury and credited to a suspense
42 account established under ORS 293.445. After the payment of refunds or credits arising from erro-
43 neous overpayments, the remaining balance shall be distributed as follows:

44 (1) 90 percent of the moneys are continuously appropriated to the Oregon [*Health Authority*]
45 **Department of Health** for the purposes of funding the maintenance and expansion of the number

1 of persons eligible for medical assistance and funding the maintenance of benefits available under
2 the medical assistance program, including mental health services.

3 (2) 10 percent of the moneys are continuously appropriated to the Oregon [*Health Authority*]
4 **Department of Health** for distribution to tribal health providers, Urban Indian Health programs,
5 regional health equity coalitions, culturally specific and community-specific health programs and
6 state and local public health programs that address prevention and cessation of tobacco and nicotine
7 use by youth and adults, tobacco-related health disparities and the prevention and management of
8 chronic disease related to tobacco and nicotine.

9 **SECTION 215.** ORS 329A.260 is amended to read:

10 329A.260. (1) After consultation with appropriate agencies and interested persons, the Early
11 Learning Council by rule shall establish minimum standards for child care facilities and the opera-
12 tion thereof and for the administration of ORS 329A.030 and 329A.250 to 329A.450.

13 (2) In establishing minimum standards of health and safety, the council shall consult with the
14 Oregon [*Health Authority*] **Department of Health** and the State Fire Marshal and shall give con-
15 sideration to their recommendations and to all basic requirements for the protection of the children
16 to receive child care, including the criteria prescribed in ORS 329A.290, and may adopt rules ap-
17 plicable to different categories of child care facilities, considering:

18 (a) The numbers and ages of the children to receive care in the child care facility.

19 (b) The number, experience and training of the staff of the child care facility.

20 (c) The types and qualities of equipment and other factors in the physical plant of the child care
21 facility.

22 (d) Any other factor affecting the care provided in the child care facility.

23 **SECTION 216.** ORS 329A.400 is amended to read:

24 329A.400. (1) An authorized representative of the Oregon [*Health Authority*] **Department of**
25 **Health** may inspect the premises of a child care facility certified under ORS 329A.280 to determine
26 whether the facility is in conformity with applicable laws and regulations relating to health and
27 sanitation.

28 (2) An authorized representative of the [*authority*] **department** shall inspect any child care fa-
29 cility when requested to do so by the Office of Child Care in accordance with arrangements under
30 ORS 329A.420 and shall submit written findings to the Office of Child Care. The Office of Child Care
31 shall not issue or renew any certification for any child care facility for which an inspection by the
32 [*authority*] **department** has been requested unless an authorized representative of the [*authority*]
33 **department** submits a written finding that the facility is in compliance with applicable laws and
34 regulations relating to health and sanitation.

35 (3) An environmental health specialist's inspection may be performed by a private consultant so
36 long as the consultant is registered under ORS chapter 700.

37 **SECTION 217.** ORS 329A.410 is amended to read:

38 329A.410. (1) In the event that any authorized representative of the Office of Child Care, Oregon
39 [*Health Authority*] **Department of Health** or other agency is denied access to any premises for the
40 purpose of making an inspection in the administration of ORS 181A.200, 329A.030 and 329A.250 to
41 329A.450, the representative shall not inspect the premises without a search warrant.

42 (2) Application for a search warrant to inspect the premises shall be made to any magistrate
43 authorized to issue a warrant of arrest. The application must be supported by an affidavit filed with
44 the magistrate showing probable cause for the inspection by stating the purpose and extent of the
45 proposed inspection, the statutes and rules which provide the basis for inspection, whether it is a

1 routine or periodic inspection, an on-site review or an investigation instituted by complaint and
 2 other specific or general information concerning the premises.

3 (3) If the magistrate is satisfied that there is probable cause to believe that the grounds of the
 4 application exist, the magistrate shall issue the search warrant specifying the purpose and extent
 5 of the inspection, on-site review or investigation of the premises covered by the warrant.

6 **SECTION 218.** ORS 329A.420 is amended to read:

7 329A.420. The Office of Child Care may enter into cooperative arrangements with the Oregon
 8 [*Health Authority*] **Department of Health**, the State Fire Marshal and other public agencies for the
 9 provision of services in the inspection of child care facilities in the administration of ORS 181A.200,
 10 329A.030 and 329A.250 to 329A.450. The arrangements shall designate which services shall be reim-
 11 bursed and the rate and manner of reimbursement.

12 **SECTION 219.** ORS 329A.600 is amended to read:

13 329A.600. (1) The Early Childhood Suspension and Expulsion Prevention Program is established.
 14 The Early Learning Division shall administer the program as provided by this section.

15 (2) The purposes of the Early Childhood Suspension and Expulsion Prevention Program are to:

- 16 (a) Reduce the use of suspension and expulsion in early childhood care and education programs;
- 17 and
- 18 (b) Reduce disparities in the use of suspension and expulsion in early childhood care and edu-
 19 cation programs based on race, ethnicity, language, ability or any other protected class identified
 20 by the Early Learning Council by rule.

21 (3) The Early Childhood Suspension and Expulsion Prevention Program shall achieve the pur-
 22 poses described in subsection (2) of this section by:

- 23 (a) Incorporating into early childhood care and education programs racial equity, trauma-
 24 informed principles and practices and strengths-based multitiered systems of support;
- 25 (b) Supporting the capacity of families, educators and early childhood care and education pro-
 26 fessionals to promote children’s social emotional well-being and growth;
- 27 (c) Creating a source for early childhood care and education professionals to request technical
 28 assistance related to children’s social emotional well-being and growth;
- 29 (d) Building capacity in communities to deliver technical assistance that supports:
 - 30 (A) Children’s social emotional development;
 - 31 (B) Children’s positive racial identity development;
 - 32 (C) Antibias practices in early childhood care and education programs; and
 - 33 (D) Inclusive practices in early childhood care and education programs;
- 34 (e) Enhancing community-based supports for families that have a history of trauma, are involved
 35 in multiple systems of support or need connection to intervention services;
- 36 (f) Providing early childhood care and education professionals with access to technical assist-
 37 ance to support the stability of placements in early childhood care and education programs; and
- 38 (g) Developing and supporting practices that reduce the use of suspension or expulsion.

39 (4) Under the Early Childhood Suspension and Expulsion Prevention Program, the Early Learn-
 40 ing Division shall establish:

- 41 (a) Common definitions related to antibias practices in early childhood care and education;
- 42 (b) Common definitions related to inclusive practices in early childhood care and education;
- 43 (c) Common definitions and guidelines for early childhood care and education suspension and
 44 expulsion;
- 45 (d) Standards and guidelines for program administration and for the delivery of technical as-

1 sistance services that are culturally responsive and that ensure technical assistance is implemented
2 with a focus on antibias and inclusive practices;

3 (e) Requirements for knowledge, skills and competencies for technical assistance specialists and
4 mental health consultants participating in the program, with a focus on racial equity, the science
5 of child development, trauma-informed principles and practices, social emotional learning principles,
6 antibias practices and inclusive practices;

7 (f) Standards for data collection and evaluation to assess the impacts of the program, including
8 eliminating disparities in exclusionary practices based on race, ethnicity, language, ability or other
9 protected classes; and

10 (g) Requirements that early childhood care and education programs certified or registered under
11 ORS 329A.280 or 329A.330, or receiving public funding for early childhood care and education ser-
12 vices, must request services from the Early Childhood Suspension and Expulsion Prevention Pro-
13 gram when a young child in an early childhood care or education program is facing potential
14 expulsion.

15 (5) In support of the Early Childhood Suspension and Expulsion Prevention Program, the Early
16 Learning Division shall coordinate with the Oregon [*Health Authority*] **Department of Health** to
17 develop a plan for integrated mental and behavioral health and social and emotional supports for
18 children and families, including establishing a resource list of diverse, community-based mental
19 health consultants to support the goals of the suspension and expulsion program.

20 (6) The Early Learning Council may adopt any rules necessary for the administration of this
21 section.

22 **SECTION 220.** ORS 332.111 is amended to read:

23 332.111. A district school board in a school district may enter into agreements to provide aux-
24 iliary services and facilities to students, including but not limited to forms of residential care and
25 medical and dental services. Any facility used for residential purposes under this section must meet
26 the applicable standards of the Oregon [*Health Authority*] **Department of Health** and the State Fire
27 Marshal.

28 **SECTION 221.** ORS 332.331 is amended to read:

29 332.331. (1) A school district, education service district or public charter school shall develop
30 and adopt a plan, to be known as the Healthy and Safe Schools Plan, for the district or school. The
31 plan must address environmental conditions at the facilities owned or leased by the district or
32 school where students or staff are present on a regular basis. The Department of Education, in
33 consultation with the Oregon [*Health Authority*] **Department of Health**, the Department of Envi-
34 ronmental Quality and other interested stakeholders, shall develop and adopt a model plan to pro-
35 vide guidance to the districts and schools in developing and adopting plans under this section.

36 (2) A school district, education service district or public charter school shall provide a copy of
37 a plan developed and adopted under this section to the Department of Education. The district or
38 school shall annually review the plan. If the information contained in a plan has changed since the
39 preceding annual review due to the acquisition or remodeling of a facility, the termination of regular
40 use of the facility by students and staff or a modification in the method, location, scope, frequency
41 or other aspects of addressing environmental conditions, the district or school shall revise the plan
42 as necessary to address the change in information and provide a copy of the revised plan to the
43 department.

44 (3) A plan developed and adopted under this section must, at a minimum, include the following:

45 (a) The identification of, and contact information for, a position within the administration of the

1 school district, education service district or public charter school having responsibility for main-
2 taining and overseeing performance of the plan.

3 (b) A list of all facilities of the school district, education service district or public charter school
4 that are subject to the plan.

5 (c) Provisions regarding testing for, and reducing exposure to, elevated levels of lead in water
6 used for drinking or food preparation as required under guidelines adopted by the [authority]
7 **Oregon Department of Health.**

8 (d) Provisions consistent with the United States Environmental Protection Agency Renovation,
9 Repair and Painting Rule set forth in 40 C.F.R. section 745 regarding testing for, and reducing ex-
10 posure to, lead-based paint.

11 (e) Provisions consistent with federal law regarding testing for, and reducing exposure to,
12 asbestos.

13 (f) Provisions consistent with ORS 332.345 regarding testing for, and reducing exposure to, ele-
14 vated levels of radon.

15 (g) Provisions for carrying out integrated pest management as provided under ORS 634.700 to
16 634.750.

17 (h) Provisions for installing carbon monoxide detection devices in proximity to fuel burning ap-
18 pliances that emit carbon monoxide, if installation is required under the state building code.

19 (4) A plan described in subsection (3) of this section must provide for any laboratory analysis
20 on test samples to be carried out by a laboratory having a type and level of accreditation recognized
21 as appropriate by the [authority] **Oregon Department of Health.**

22 (5) The [authority] **Oregon Department of Health**, in consultation with the Department of
23 **Education**, school districts, education service districts, public charter schools and other interested
24 stakeholders, may provide districts and schools with recommendations regarding evidence-based
25 practices for the reduction of environmental conditions not addressed in subsection (3) of this sec-
26 tion that may present health concerns if present in district or school facilities. The recommendations
27 may include, but need not be limited to, recommendations regarding:

28 (a) Methods for limiting or reducing exposure to high levels of diesel engine exhaust; and

29 (b) Identification of mold, including but not limited to advice regarding how to recognize the
30 presence of mold.

31 (6) The [authority] **Oregon Department of Health** shall develop information sheets for use by
32 school districts, education service districts and public charter schools to inform staff, students,
33 parents of minor students and other interested stakeholders about substances that may present
34 health concerns if present in district or school facilities.

35 (7) The Department of **Education**, in consultation with the [authority] **Oregon Department of**
36 **Health**, representatives of school districts, education service districts and public charter schools
37 and other interested stakeholders, shall make opportunities for professional development available
38 to district and school staff regarding plan requirements under this section and the provision of in-
39 formation as required under ORS 332.334.

40 **SECTION 222.** ORS 332.334 is amended to read:

41 332.334. (1)(a) A school district, education service district or public charter school shall make
42 the results of any testing conducted under a plan described in ORS 332.331 available to the public
43 no later than 10 business days after receiving the test results. As used in this paragraph, "business
44 day" means a day that is not a Saturday, a legal holiday under ORS 187.010 or 187.020 or a day on
45 which the administrative headquarters for the district or school is closed.

1 (b) The district or school shall make the test results available:

2 (A) If the district or school maintains a public website, by posting the test results on the
3 website;

4 (B) By sending electronic mail to staff, students and parents of minor students for whom the
5 district or school has electronic mail addresses on file; and

6 (C) By making the test results available in printed form at the administrative headquarters for
7 the district or school.

8 (2) A school district, education service district or public charter school shall provide an annual
9 statement regarding the plan developed and adopted by the district or school under ORS 332.331.
10 The district or school shall provide the statement to:

11 (a) The governing body for the district or school;

12 (b) The parents of minor students; and

13 (c) Any students 18 years of age or older.

14 (3) The annual statement under subsection (2) of this section must include, but need not be
15 limited to, the following information:

16 (a) Identification of, and contact information for, the position within the administration of the
17 school district, education service district or public charter school having responsibility for main-
18 taining and overseeing performance of the plan;

19 (b) Information regarding where copies of the plan are available;

20 (c) A certification that the district or school is in compliance with any testing requirements
21 under the plan;

22 (d) Information about how to obtain the results of any testing conducted under the plan; and

23 (e) A summary of major exposure reduction activities conducted under the plan since the pre-
24 ceding annual statement.

25 (4) If a school district, education service district or public charter school maintains a publicly
26 available website, the district or school shall post the annual statement described in subsection (3)
27 of this section on the website. The district or school shall make the annual statement available in
28 printed form at the administrative headquarters for the district or school.

29 (5) The Department of Education shall adopt, in consultation with the Oregon [*Health*
30 *Authority*] **Department of Health**, representatives of school districts, education service districts
31 and public charter schools and other interested stakeholders, rules for carrying out this section.

32 **SECTION 223.** ORS 332.341 is amended to read:

33 332.341. (1) The Oregon [*Health Authority*] **Department of Health** shall disseminate information
34 related to elevated levels of radon to each school district in this state. Information disseminated
35 under this section must include:

36 (a) Information about radon and the dangers associated with elevated levels of radon;

37 (b) The level of radon at which the United States Environmental Protection Agency recommends
38 schools take action to reduce indoor radon concentrations;

39 (c) Processes by which schools may be tested for elevated levels of radon; and

40 (d) Model plans developed pursuant to ORS 332.345.

41 (2) Dissemination of information under subsection (1)(c) of this section must take into account
42 industry standards for testing buildings for elevated levels of radon.

43 (3) Upon request, the State Board of Education shall assist the [*authority*] **Oregon Department**
44 **of Health** in disseminating the information described in this section. Dissemination of information
45 may occur by any reasonable means, including posting the information on a website maintained by

1 the [authority] **Oregon Department of Health** or the Department of Education and providing each
2 school district with instructions on how to access the information.

3 **SECTION 224.** ORS 332.345 is amended to read:

4 332.345. (1) A school district shall develop a plan for testing schools for elevated levels of radon.
5 At a minimum, plans developed under this subsection must:

6 (a) Provide for the testing of radon in any frequently occupied room in contact with the ground
7 or located above a basement or a crawlspace; and

8 (b) Provide for the testing of radon in a school at least once every 10 years.

9 (2) The Oregon [Health Authority] **Department of Health** shall develop model plans for school
10 districts to follow in implementing the requirements of this section. The [authority] **Oregon De-**
11 **partment of Health** shall seek the input of the Oregon School Boards Association in developing the
12 model plans.

13 (3) Results of a test performed under this section must be:

14 (a) Provided to the district school board;

15 (b) Provided to the [authority] **Oregon Department of Health** in a manner prescribed by the
16 [authority] **department**; and

17 (c) Made readily available to parents, guardians, students, school employees, school volunteers,
18 administrators and community representatives at the school's office or school district's office or on
19 a website for the school or school district.

20 (4) Information provided and made available under subsection (3) of this section must include the
21 level of radon at which the United States Environmental Protection Agency recommends schools
22 take action to reduce indoor radon concentrations.

23 **SECTION 225.** ORS 336.213 is amended to read:

24 336.213. (1) As used in this section:

25 (a) "Dental screening" means a dental screening test to identify potential dental health problems
26 that is conducted by:

27 (A) A dentist licensed under ORS chapter 679;

28 (B) A dental hygienist licensed under ORS 680.010 to 680.205;

29 (C) A health care practitioner who is acting in accordance with rules adopted by the State
30 Board of Education; or

31 (D) A person who:

32 (i) Is one of the following:

33 (I) An employee of an education provider; or

34 (II) Trained in accordance with guidelines established by the dental director appointed by the
35 Oregon [Health Authority] **Department of Health**; and

36 (ii) Is acting in accordance with rules adopted by the State Board of Education in collaboration
37 with the dental director appointed by the Oregon [Health Authority] **Department of Health**.

38 (b) "Education provider" means:

39 (A) An entity that offers a program that is recognized as an Oregon prekindergarten program
40 under ORS 329.170 to 329.200.

41 (B) A school district board.

42 (2)(a) Except as provided in subsection (3) of this section, each education provider shall require
43 a student who is seven years of age or younger and who is beginning an educational program with
44 the education provider for the first time to submit certification that the student received a dental
45 screening within the previous 12 months.

- 1 (b) The certification required by this subsection:
- 2 (A) Must be provided no later than 120 days after the student begins the educational program.
- 3 (B) May be provided by a person identified in subsection (1)(a) of this section who conducts the
- 4 dental screening at a location not associated with the education provider or who conducts regular
- 5 dental screenings of the student.
- 6 (3) A student is not required to submit certification as required under subsection (2) of this
- 7 section if the student provides a statement from the parent or guardian of the student that:
- 8 (a) The student submitted certification to a prior education provider;
- 9 (b) The dental screening is contrary to the religious beliefs of the student or the parent or
- 10 guardian of the student; or
- 11 (c) The dental screening is a burden, as defined by the State Board of Education by rule, for the
- 12 student or the parent or guardian of the student.
- 13 (4) Each education provider shall:
- 14 (a) File in the student's dental health record any certifications and any results of a dental
- 15 screening known by the education provider.
- 16 (b) Provide the parent or guardian of each student with information about:
- 17 (A) The dental screenings;
- 18 (B) Further examinations or necessary treatments; and
- 19 (C) Preventive care, including fluoride varnish, sealants and daily brushing and flossing.
- 20 (5) The dental director appointed by the Oregon [*Health Authority*] **Department of Health** shall
- 21 develop standardized information described in subsection (4)(b) of this section for distribution by
- 22 education providers.
- 23 (6)(a) No later than October 1 each year, each school district shall submit to the Department
- 24 of Education a report that identifies the percentage of students who failed to submit the certification
- 25 required under this section for the previous school year.
- 26 (b) No later than December 1 each year, the Department of Education shall summarize the re-
- 27 ports received under paragraph (a) of this subsection and submit the summary to the interim legis-
- 28 lative committees on education and to the dental director appointed by the Oregon [*Health*
- 29 *Authority*] **Department of Health**.
- 30 (7) The State Board of Education, in consultation with the Oregon Health Policy Board and the
- 31 Oregon Board of Dentistry, shall adopt by rule any standards for the implementation of this section.
- 32 **SECTION 226.** ORS 336.222 is amended to read:
- 33 336.222. In accordance with rules adopted by the State Board of Education in consultation with
- 34 the Oregon [*Health Authority*] **Department of Health** and the Alcohol and Drug Policy Commission,
- 35 each district school board shall adopt a comprehensive alcohol and drug abuse policy and imple-
- 36 mentation plan, including but not limited to:
- 37 (1) Alcohol and drug abuse prevention curriculum and public information programs addressing
- 38 students, parents, teachers, administrators and school board members;
- 39 (2) The nature and extent of the district's expectation of intervention with students who appear
- 40 to have drug or alcohol abuse problems;
- 41 (3) The extent of the district's alcohol and other drug prevention and intervention programs; and
- 42 (4) The district's strategy to gain access to federal funds available for drug abuse prevention
- 43 programs.
- 44 **SECTION 227.** ORS 336.227 is amended to read:
- 45 336.227. To assist school districts to formulate the programs described in ORS 336.222 (1), the

1 Oregon [*Health Authority*] **Department of Health** shall:

2 (1) Devise a public information program directed toward students, parents, teachers, adminis-
3 trators and school board members at the school district level; and

4 (2) Contact advocacy associations of the target groups described in subsection (1) of this section
5 to facilitate outreach programs and disseminate alcohol and drug abuse prevention information.

6 **SECTION 228.** ORS 336.235 is amended to read:

7 336.235. In order to carry out the duties described in ORS 336.222 and 336.227, the State Board
8 of Education, in consultation with the Oregon [*Health Authority*] **Department of Health** and the
9 Alcohol and Drug Policy Commission, shall adopt by rule, as a minimum, descriptions of the content
10 of what shall be included in the policy and plan described in ORS 336.222 and 336.227.

11 **SECTION 229.** ORS 336.241 is amended to read:

12 336.241. (1) As part of the comprehensive alcohol and drug abuse policy and implementation plan
13 described in ORS 336.222, the Oregon [*Health Authority*] **Department of Health**, State Board of
14 Education and Alcohol and Drug Policy Commission shall collaborate on developing curricula sup-
15 plements for cannabis abuse prevention and public information programs for students, parents,
16 teachers, administrators and school board members.

17 (2) In the manner provided by ORS 192.245, the [*authority*] **Oregon Department of Health** shall
18 report on the implementation of this section to the Legislative Assembly on or before February 1
19 of each odd-numbered year.

20 **SECTION 230.** ORS 339.333 is amended to read:

21 339.333. (1) The Center for School Safety shall be governed by a board of directors. The board
22 of directors shall consist of:

23 (a) The Superintendent of Public Instruction or a designee of the superintendent;

24 (b) The Director of the Oregon Youth Authority or a designee of the director;

25 (c) The Attorney General or a designee of the Attorney General;

26 (d) The Superintendent of State Police or a designee of the superintendent;

27 (e) The Director of Human Services or a designee of the director;

28 (f) The Director of the Oregon [*Health Authority*] **Department of Health** or a designee of the
29 director;

30 (g) Nine members appointed by the Governor, as follows:

31 (A) One member representing the Oregon School Boards Association;

32 (B) One member representing the Confederation of Oregon School Administrators;

33 (C) One member representing the Oregon Education Association;

34 (D) One member representing the Oregon School Employees Association;

35 (E) One member representing the Oregon State Sheriffs' Association;

36 (F) One member representing the Oregon Association Chiefs of Police;

37 (G) One member representing the Oregon District Attorneys Association;

38 (H) One member representing the National Resource Center for Safe Schools on the Northwest
39 Regional Educational Laboratory; and

40 (I) One member representing the Oregon School Safety Officers Association; and

41 (h) Other members that the board may appoint.

42 (2) When making appointments to the board of directors, the Governor shall solicit recommen-
43 dations from professional organizations that represent school employees, school district boards,
44 school administrators and other education providers.

45 (3) The term of office of each board member appointed by the Governor is two years, but a

1 member serves at the pleasure of the Governor. Before the expiration of the term of a board mem-
2 ber, the Governor shall appoint a successor. A board member is eligible for reappointment but shall
3 not serve for more than two consecutive terms. If there is a vacancy for any cause, the Governor
4 shall make an appointment to become immediately effective for the unexpired term.

5 (4) A member of the board of directors is entitled to compensation and expenses as provided in
6 ORS 292.495.

7 (5) The board of directors shall meet a minimum of four times per year.

8 (6) The board of directors shall annually elect a chairperson and vice chairperson from the
9 membership. The board of directors may form committees as needed.

10 **SECTION 231.** ORS 339.341 is amended to read:

11 339.341. (1) As used in this section:

12 (a) "Cyberbullying" has the meaning given that term in ORS 339.351.

13 (b) "Harassment, intimidation or bullying" has the meaning given that term in ORS 339.351.

14 (c) "Suicidal behavior" includes:

15 (A) Self-directed, injurious behavior with an intent to die as a result of the behavior;

16 (B) Nonfatal, self-directed, potentially injurious behavior with an intent to die as a result of the
17 behavior that may not result in injury; or

18 (C) Thinking about, considering or planning suicide.

19 (d) "Violence" means aggressive behavior with the intention to cause, or an outcome that poses
20 a risk of causing, serious or lethal injury.

21 (2) The Department of Education shall establish and maintain the Statewide School Safety and
22 Prevention System.

23 (3) The system required under this section shall consist of the following:

24 (a) Assistance to school districts and education service districts in decreasing acts of
25 harassment, intimidation or bullying and acts of cyberbullying through the implementation of effec-
26 tive prevention programs that:

27 (A) Incorporate evidenced-based, multitiered practices; and

28 (B) Support resiliency building and trauma-informed care practices.

29 (b) Assistance to school districts and education service districts in decreasing youth suicidal
30 behavior through the implementation of effective prevention programs and student wellness pro-
31 grams that focus on early identification and intervention by school safety and prevention specialists,
32 as described in subsection (4) of this section, who:

33 (A) Provide training, outreach and technical assistance related to youth suicidal behavior pre-
34 vention and wellness;

35 (B) Support coordination between schools and health agencies, including public and private be-
36 havioral health providers; and

37 (C) Support school districts and education service districts in the establishment of suicidal be-
38 havior prevention programs.

39 (c) Assistance to school districts and education service districts in implementing a multidisci-
40 plinary student safety assessment system to identify, assess and support students who present a po-
41 tential risk for violence to others. Multidisciplinary school safety assessment teams shall be made
42 available to assist each school district and education service district in assessing students who are
43 engaged in violence or who are posing a threat of violence to others. The teams shall:

44 (A) Assess potential danger and identify circumstances and risk factors that may increase risk
45 for potential violence;

1 (B) Develop management and intervention plans in collaboration with community partners; and

2 (C) Connect students and families to community resources and supports.

3 (d) Promotion and use of the statewide school safety tip line established by ORS 339.329. School
4 safety and prevention specialists, as described in subsection (4) of this section, shall work
5 collaboratively with the Oregon State Police to support school districts and education service dis-
6 tricts in accessing and implementing the school safety tip line.

7 (4) The system required under this section shall be supported by school safety and prevention
8 specialists who:

9 (a) Serve regions of this state;

10 (b) Are cross-trained in safety assessments and in the prevention of youth suicide, of acts of
11 bullying, intimidation or harassment and of acts of cyberbullying; and

12 (c) Provide or facilitate training, the development of programs and plans, the coordination of
13 local teams and the provision of ongoing consultation to regional partners, school districts and ed-
14 ucation service districts.

15 (5) The State Board of Education, in consultation with the Oregon [*Health Authority*] **Depart-**
16 **ment of Health** and other representatives of school districts, education service districts, school
17 employees, human services, mental health professionals and law enforcement agencies, shall adopt
18 rules related to the system required under this section.

19 **SECTION 232.** ORS 339.343 is amended to read:

20 339.343. (1) This section shall be known and may be cited as Adi's Act.

21 (2) In accordance with rules adopted by the State Board of Education in consultation with the
22 Oregon [*Health Authority*] **Department of Health**, each school district shall adopt a policy requir-
23 ing a comprehensive district plan on student suicide prevention for students in kindergarten through
24 grade 12.

25 (3) A plan required under this section must include:

26 (a) Procedures relating to suicide prevention, intervention and activities that reduce risk and
27 promote healing after a suicide;

28 (b) Identification of the school officials responsible for responding to reports of suicidal risk;

29 (c) A procedure by which a person may request a school district to review the actions of a
30 school in responding to suicidal risk;

31 (d) Methods to address the needs of high-risk groups, including:

32 (A) Youth bereaved by suicide;

33 (B) Youth with disabilities, mental illness or substance use disorders;

34 (C) Youth experiencing homelessness or out-of-home settings, such as foster care; and

35 (D) Lesbian, gay, bisexual, transgender, queer and other minority gender identities and sexual
36 orientations;

37 (e) A description of, and materials for, any training to be provided to school employees as part
38 of the plan, which must include:

39 (A) When and how to refer youth and their families to appropriate mental health services; and

40 (B) Programs that can be completed through self-review of suitable suicide prevention materials;

41 and

42 (f) Any other requirement prescribed by the State Board of Education by rule, based on con-
43 sultations with state and national suicide prevention organizations, suicide experts and school-based
44 mental health providers, and based on reviews of national models.

45 (4) A school district may consult with state or national suicide prevention organizations, the

1 Department of Education, school-based mental health professionals, parents, guardians, school em-
 2 ployees, students, administrators and school board associations when developing the plan required
 3 under this section.

4 (5) The plan required under this section:

5 (a) Must be written to ensure that a school employee acts only within the authorization and
 6 scope of the employee's credentials or licenses. Nothing in this section shall be construed as au-
 7 thorizing or encouraging a school employee to diagnose or treat mental illness unless the employee
 8 is specifically licensed and employed to do so.

9 (b) Must be:

10 (A) Made available annually to the community of the school district, including students of the
 11 school district, parents and guardians of students of the school district, and employees and volun-
 12 teers of the school district.

13 (B) Readily available at the school district office and on the school district website, if applicable.

14 (6) A school district that does not comply with the requirements of this section is considered to
 15 be nonstandard under ORS 327.103.

16 **SECTION 233.** ORS 339.505 is amended to read:

17 339.505. (1) For purposes of the student accounting system required by ORS 339.515, the follow-
 18 ing definitions shall be used:

19 (a) "Graduate" means an individual who has:

20 (A) Not reached 21 years of age or whose 21st birthday occurs during the current school year;

21 (B) Met all state requirements and local requirements for attendance, competence and units of
 22 credit for high school; and

23 (C) Received one of the following:

24 (i) A high school diploma issued by a school district or a public charter school.

25 (ii) A high school diploma issued by an authorized community college.

26 (iii) A modified diploma issued by a school district or a public charter school.

27 (iv) An extended diploma issued by a school district or a public charter school.

28 (v) An alternative certificate issued by a school district or a public charter school.

29 (b) "School dropout" means an individual who:

30 (A) Has enrolled for the current school year, or was enrolled in the previous school year and
 31 did not attend during the current school year;

32 (B) Is not a high school graduate;

33 (C) Has not received a certificate for passing an approved high school equivalency test such as
 34 the General Educational Development (GED) test; and

35 (D) Has withdrawn from school.

36 (c) "School dropout" does not include a student described by at least one of the following:

37 (A) A student who has transferred to another educational system or institution that leads to
 38 graduation and the school district has received a written request for the transfer of the student's
 39 records or transcripts.

40 (B) A student who is deceased.

41 (C) A student who is participating in home instruction paid for by the district.

42 (D) A student who is being taught by a private teacher, parent or legal guardian pursuant to
 43 ORS 339.030 (1)(d) or (e).

44 (E) A student who is participating in a Department of Education approved public or private
 45 education program, an alternative education program as defined in ORS 336.615 or a hospital edu-

1 cation program, or is residing in a Department of Human Services or an Oregon [*Health Authority*]
 2 **Department of Health** facility.

3 (F) A student who is temporarily residing in a shelter care program certified by the Oregon
 4 Youth Authority or in a juvenile detention facility.

5 (G) A student who is enrolled in a foreign exchange program.

6 (H) A student who is temporarily absent from school because of suspension, a family emergency,
 7 or severe health or medical problems that prohibit the student from attending school.

8 (I) A student who has received a certificate for passing an approved high school equivalency test
 9 such as the General Educational Development (GED) test.

10 (2) The State Board of Education shall prescribe by rule when an unexplained absence becomes
 11 withdrawal, when a student is considered enrolled in school, acceptable alternative education pro-
 12 grams under ORS 336.615 to 336.665 and the standards for excused absences for purposes of ORS
 13 339.065 for family emergencies and health and medical problems.

14 **SECTION 234.** ORS 339.869 is amended to read:

15 339.869. (1) The State Board of Education, in consultation with the Oregon [*Health Authority*]
 16 **Department of Health**, the Oregon State Board of Nursing and the State Board of Pharmacy, shall
 17 adopt:

18 (a) Rules for the administration of prescription and nonprescription medication to students by
 19 trained school personnel and for student self-medication. The rules shall include age appropriate
 20 guidelines and training requirements for school personnel.

21 (b) Rules for the administration of premeasured doses of epinephrine by school personnel trained
 22 as provided by ORS 433.815 to any student or other individual on school premises who the personnel
 23 believe in good faith is experiencing a severe allergic reaction, regardless of whether the student
 24 or individual has a prescription for epinephrine.

25 (c)(A) Rules for the administration of medication that treats adrenal insufficiency by school
 26 personnel trained as provided by ORS 433.815 to any student on school premises whose parent or
 27 guardian has provided for the personnel the medication as described in ORS 433.825 (3) and who the
 28 personnel believe in good faith is experiencing an adrenal crisis, as defined in ORS 433.800.

29 (B) Rules adopted under this paragraph must:

30 (i) Include guidelines on the designation and training of school personnel who will be responsible
 31 for administering medication; and

32 (ii) Specify that a school district is only required to train school personnel when the school
 33 district has been notified by a parent or guardian that a student enrolled in a school of the school
 34 district has been diagnosed with adrenal insufficiency.

35 (d) Guidelines for the management of students with life-threatening food allergies and adrenal
 36 insufficiency, which must include:

37 (A) Standards for the education and training of school personnel to manage students with life-
 38 threatening allergies or adrenal insufficiency.

39 (B) Procedures for responding to life-threatening allergic reactions or an adrenal crisis, as de-
 40 fined in ORS 433.800.

41 (C) A process for the development of individualized health care and allergy or adrenal insuffi-
 42 ciency plans for every student with a known life-threatening allergy or adrenal insufficiency.

43 (D) Protocols for preventing exposures to allergens.

44 (e) Rules for the administration of naloxone or any similar medication that is in any form
 45 available for safe administration and that is designed to rapidly reverse an overdose of an opioid

1 drug by trained school personnel to any student or other individual on school premises who the
2 personnel believe in good faith is experiencing an overdose of an opioid drug.

3 (2)(a) School district boards shall adopt policies and procedures that provide for:

4 (A) The administration of prescription and nonprescription medication to students by trained
5 school personnel, including the administration of medications that treat adrenal insufficiency;

6 (B) Student self-medication; and

7 (C) The administration of premeasured doses of epinephrine to students and other individuals.

8 (b) Policies and procedures adopted under paragraph (a) of this subsection shall be consistent
9 with the rules adopted by the State Board of Education under subsection (1) of this section. A school
10 district board shall not require school personnel who have not received appropriate training to ad-
11 minister medication.

12 (3)(a) School district boards may adopt policies and procedures that provide for the adminis-
13 tration of naloxone or any similar medication that is in any form available for safe administration
14 and that is designed to rapidly reverse an overdose of an opioid drug.

15 (b) Policies and procedures adopted under paragraph (a) of this subsection shall be consistent
16 with the rules adopted by the State Board of Education under subsection (1) of this section.

17 **SECTION 235.** ORS 343.243 is amended to read:

18 343.243. (1) Each school year, the Department of Education shall receive an amount, as calcu-
19 lated under this section, from the State School Fund to pay the costs of educating children in pro-
20 grams under ORS 343.261, 343.961 and 346.010.

21 (2) To meet the requirements of ORS 343.261, the department shall receive from the State School
22 Fund an amount that is equal to the product of the following:

23 (a) The average net operating expenditure per student of all school districts during the preced-
24 ing school year; and

25 (b) The number of slots available for students in the hospital programs under ORS 343.261, as
26 determined by the department for the school year.

27 (3) To meet the requirements of ORS 343.961, the department shall receive from the State School
28 Fund an amount that is equal to the product of the following:

29 (a) The average net operating expenditure per student of all school districts during the preced-
30 ing school year; and

31 (b) The number of slots available for all students in eligible day treatment programs and eligible
32 residential treatment programs under ORS 343.961 for the school year, as determined by the De-
33 partment of Education based on information received from the Department of Human Services, the
34 Oregon [Health Authority] **Department of Health**, the Oregon Youth Authority and eligible day
35 treatment programs and eligible residential treatment programs.

36 (4) To meet the requirements of ORS 346.010, the Department of Education shall receive from
37 the State School Fund an amount that is equal to the product of the following:

38 (a) The average net operating expenditure per student of all school districts during the preced-
39 ing school year; and

40 (b) The resident average daily membership of students enrolled in a program under ORS 346.010
41 for one-half of the school day or more, exclusive of preschool children covered by ORS 343.533.

42 (5) The children covered by this section shall be enumerated in the average daily membership
43 of the district providing the instruction but the district may not accrue credit for days' attendance
44 of such children for the purpose of distributing state school funds.

45 (6) The liability of a district shall not exceed the amount established under this section even if

1 the child is otherwise subject to ORS 336.575 and 336.580.

2 (7) The Department **of Education** shall credit amounts received from the State School Fund
3 under this section to the appropriate subaccount in the Special Education Account.

4 **SECTION 236.** ORS 343.499 is amended to read:

5 343.499. (1)(a) There is created the State Interagency Coordinating Council.

6 (b) The Governor shall appoint members of the council from a list of eligible appointees from
7 this state that is provided by the council and agencies described in subsection (2) of this section and
8 shall ensure that the membership of the council reasonably represents the racial, ethnic, linguistic
9 and geographic population of this state.

10 (c) The Governor shall designate one member of the council to serve as the chairperson, or if
11 the Governor chooses not to name a chairperson, the council may elect one of its members to serve
12 as chairperson.

13 (d) Notwithstanding paragraph (c) of this subsection, any member of the council who represents
14 the Department of Education may not serve as the chairperson of the council.

15 (2) The membership of the council shall be composed as follows:

16 (a) At least 20 percent of the council members shall be parents of children with a disability who
17 are 12 years of age or younger at the time the council member is appointed. When appointing
18 council members under this paragraph, the Governor shall ensure that:

19 (A) At least 50 percent of the council members are parents of a child with a disability who is
20 five years of age or younger at the time the council member is appointed;

21 (B) At least 20 percent of the council members:

22 (i) Are parents of a child with a disability who is three years of age or younger at the time the
23 council member is appointed; and

24 (ii) Have knowledge of, or experience with, programs or services for infants or toddlers with a
25 disability; and

26 (C) The council members represent the racial, ethnic and linguistic diversity of children in this
27 state who are five years of age or younger.

28 (b) At least 20 percent of the council members shall be public or private providers of early
29 intervention and early childhood special education services.

30 (c) At least one council member shall be from a program responsible for preparing early inter-
31 vention and early childhood special education educators.

32 (d) At least one council member shall be from a Head Start or Early Head Start program.

33 (e) At least one council member shall be from a home-based child care program.

34 (f) At least one council member shall be from a center-based child care program.

35 (g) At least one council member shall be from the committee that serves as the state advisory
36 council, as described in ORS 326.425 (3).

37 (h) At least one council member shall be a member of the State Advisory Council for Special
38 Education created under ORS 343.287.

39 (i) At least one council member shall be from each state agency involved in the provision of,
40 or payment for, early intervention and early childhood special education services to infants and
41 toddlers with a disability and their families.

42 (j) At least one council member shall be from each state agency responsible for providing pre-
43 school services to children with a disability.

44 (k) At least one council member shall be from each state agency responsible for children's
45 mental health.

1 (L) At least two council members shall be from the Department of Human Services with exper-
2 tise in foster care or self-sufficiency programs.

3 (m) At least one council member shall be from the Office of Child Care with expertise in the
4 Child Care and Development Fund.

5 (n) At least one council member shall be a representative of the Department of Education with
6 expertise in the coordination of education of homeless children and youth.

7 (o) At least one council member shall be from the Department of Consumer and Business Ser-
8 vices with expertise in state regulation of private health insurance.

9 (p) At least one council member shall be from the Oregon [*Health Authority*] **Department of**
10 **Health** with expertise in Medicaid and the Children's Health Insurance Program.

11 (q) At least one council member shall be a representative from a tribal agency responsible for
12 supporting young children with developmental delays and disabilities, from a tribal council or oth-
13 erwise representing one or more tribes.

14 (3) An individual appointed to represent a state agency under subsection (2) of this section must
15 have sufficient authority to engage in making and implementing policy on behalf of the agency. The
16 Governor may appoint a council member to represent more than one program or specialty listed in
17 subsection (2) of this section.

18 (4) In addition to the council members appointed under subsection (2) of this section:

19 (a) The Governor may appoint any other council members not listed in subsection (2) of this
20 section.

21 (b) The President of the Senate shall appoint one member from among members of the Senate
22 to serve as a nonvoting council member.

23 (c) The Speaker of the House of Representatives shall appoint one member from among members
24 of the House of Representatives to serve as a nonvoting council member.

25 (5) The State Interagency Coordinating Council shall:

26 (a) Advise the Superintendent of Public Instruction, the State Board of Education, the Early
27 Learning System Director and the Early Learning Council on unmet needs in the early childhood
28 special education and early intervention programs for children with a disability, review and com-
29 ment publicly on any rules proposed by the State Board of Education and the distribution of funds
30 for the programs and assist the state in developing and reporting data on and evaluations of the
31 programs and services.

32 (b) Advise and assist the represented public agencies regarding the services and programs they
33 provide to children with a disability and their families, including public comments on any proposed
34 rules affecting the target population and the distribution of funds for such services, and assist each
35 agency in developing services that reflect the overall goals for the target population as adopted by
36 the council.

37 (c) Advise the Department of Education, the Early Learning Division and other state agencies
38 on the development and implementation of the policies that constitute the statewide system.

39 (d) Advise all appropriate public agencies on achieving the full participation, coordination and
40 cooperation for implementation of a statewide system that includes but is not limited to:

41 (A) Seeking information from service providers, service coordinators, parents and others about
42 any federal, state or local policies that impede timely service delivery; and

43 (B) Taking steps to ensure that any policy problems identified under subparagraph (A) of this
44 paragraph are resolved.

45 (e) Advise the Superintendent of Public Instruction and the Early Learning System Director on

1 identifying the sources of fiscal and other support for early intervention and early childhood special
2 education services, assigning financial responsibility to the appropriate agencies and ensuring that
3 the provisions of interagency agreements under ORS 343.511 are carried out.

4 (f) Review and comment on each agency's services and policies regarding services for infants,
5 toddlers and preschool children with a disability, or infants, toddlers and preschool children who
6 are at risk of developing disabling conditions, and their families to the maximum extent possible to
7 assure cost-effective and efficient use of resources.

8 (g) Advise the Department of Education and the Early Learning Division on the preparation of
9 applications and amendments thereto.

10 (h) Advise the Superintendent of Public Instruction and the Early Learning System Director
11 regarding transitions of children with a disability, including transitions to kindergarten.

12 (i) Prepare and submit an annual report to the Governor, the Deputy Superintendent of Public
13 Instruction, the Early Learning System Director, the Early Learning Council, the State Board of
14 Education, the Legislative Assembly and the United States Secretary of Education on the status of
15 early intervention and early childhood special education services provided within this state.

16 (6) The council may advise appropriate agencies about integration of services for preschool
17 children with a disability and at-risk preschool children.

18 (7) Terms of office for council members shall be three years, except that:

19 (a) The representative from the State Advisory Council for Special Education shall serve a
20 one-year term; and

21 (b) The representatives from other state agencies and the representatives from the Legislative
22 Assembly shall serve indefinite terms.

23 (8) Subject to approval by the Governor, the council may use federal funds appropriated for this
24 purpose and available to the council to:

25 (a) Conduct hearings and forums;

26 (b) Reimburse nonagency council members under ORS 292.495 for attending council meetings, for
27 performing council duties, and for necessary expenses, including child care for parent members;

28 (c) Pay compensation to a council member if the member is not employed or if the member must
29 forfeit wages from other employment when performing official council business;

30 (d) Hire staff; and

31 (e) Obtain the services of such professional, technical and clerical personnel as may be neces-
32 sary to carry out its functions.

33 (9) Except as provided in subsection (8) of this section, council members shall serve without
34 compensation.

35 (10) The Department of Education shall provide clerical and administrative support, including
36 staff, to the council to carry out the performance of the council's function as described in this sec-
37 tion.

38 (11) The council shall meet at least quarterly. The meetings shall be announced publicly and,
39 to the extent appropriate, be open and accessible to the general public.

40 (12) No member of the council shall cast a vote on any matter that would provide direct finan-
41 cial benefit to that member or otherwise give the appearance of a conflict of interest under state
42 law.

43 **SECTION 237.** ORS 343.499, as amended by section 47, chapter 631, Oregon Laws 2021, is
44 amended to read:

45 343.499. (1)(a) There is created the State Interagency Coordinating Council.

1 (b) The Governor shall appoint members of the council from a list of eligible appointees from
2 this state that is provided by the council and agencies described in subsection (2) of this section and
3 shall ensure that the membership of the council reasonably represents the racial, ethnic, linguistic
4 and geographic population of this state.

5 (c) The Governor shall designate one member of the council to serve as the chairperson, or if
6 the Governor chooses not to name a chairperson, the council may elect one of its members to serve
7 as chairperson.

8 (d) Notwithstanding paragraph (c) of this subsection, any member of the council who represents
9 the Department of Education may not serve as the chairperson of the council.

10 (2) The membership of the council shall be composed as follows:

11 (a) At least 20 percent of the council members shall be parents of children with a disability who
12 are 12 years of age or younger at the time the council member is appointed. When appointing
13 council members under this paragraph, the Governor shall ensure that:

14 (A) At least 50 percent of the council members are parents of a child with a disability who is
15 five years of age or younger at the time the council member is appointed;

16 (B) At least 20 percent of the council members:

17 (i) Are parents of a child with a disability who is three years of age or younger at the time the
18 council member is appointed; and

19 (ii) Have knowledge of, or experience with, programs or services for infants or toddlers with a
20 disability; and

21 (C) The council members represent the racial, ethnic and linguistic diversity of children in this
22 state who are five years of age or younger.

23 (b) At least 20 percent of the council members shall be public or private providers of early
24 intervention and early childhood special education services.

25 (c) At least one council member shall be from a program responsible for preparing early inter-
26 vention and early childhood special education educators.

27 (d) At least one council member shall be from a Head Start or Early Head Start program.

28 (e) At least one council member shall be from a home-based child care program.

29 (f) At least one council member shall be from a center-based child care program.

30 (g) At least one council member shall be from the committee that serves as the state advisory
31 council, as described in ORS 326.425 (3).

32 (h) At least one council member shall be a member of the State Advisory Council for Special
33 Education created under ORS 343.287.

34 (i) At least one council member shall be from each state agency involved in the provision of,
35 or payment for, early intervention and early childhood special education services to infants and
36 toddlers with a disability and their families.

37 (j) At least one council member shall be from each state agency responsible for providing pre-
38 school services to children with a disability.

39 (k) At least one council member shall be from each state agency responsible for children's
40 mental health.

41 (L) At least two council members shall be from the Department of Human Services with exper-
42 tise in foster care or self-sufficiency programs.

43 (m) At least one council member shall be from the Department of Early Learning and Care with
44 expertise in the Child Care and Development Fund.

45 (n) At least one council member shall be a representative of the Department of Education with

1 expertise in the coordination of education of homeless children and youth.

2 (o) At least one council member shall be from the Department of Consumer and Business Ser-
3 vices with expertise in state regulation of private health insurance.

4 (p) At least one council member shall be from the Oregon [*Health Authority*] **Department of**
5 **Health** with expertise in Medicaid and the Children's Health Insurance Program.

6 (q) At least one council member shall be a representative from a tribal agency responsible for
7 supporting young children with developmental delays and disabilities, from a tribal council or oth-
8 erwise representing one or more tribes.

9 (3) An individual appointed to represent a state agency under subsection (2) of this section must
10 have sufficient authority to engage in making and implementing policy on behalf of the agency. The
11 Governor may appoint a council member to represent more than one program or specialty listed in
12 subsection (2) of this section.

13 (4) In addition to the council members appointed under subsection (2) of this section:

14 (a) The Governor may appoint any other council members not listed in subsection (2) of this
15 section.

16 (b) The President of the Senate shall appoint one member from among members of the Senate
17 to serve as a nonvoting council member.

18 (c) The Speaker of the House of Representatives shall appoint one member from among members
19 of the House of Representatives to serve as a nonvoting council member.

20 (5) The State Interagency Coordinating Council shall:

21 (a) Advise the Superintendent of Public Instruction, the State Board of Education, the Early
22 Learning System Director and the Early Learning Council on unmet needs in the early childhood
23 special education and early intervention programs for children with a disability, review and com-
24 ment publicly on any rules proposed by the State Board of Education and the distribution of funds
25 for the programs and assist the state in developing and reporting data on and evaluations of the
26 programs and services.

27 (b) Advise and assist the represented public agencies regarding the services and programs they
28 provide to children with a disability and their families, including public comments on any proposed
29 rules affecting the target population and the distribution of funds for such services, and assist each
30 agency in developing services that reflect the overall goals for the target population as adopted by
31 the council.

32 (c) Advise the Department of Education, the Department of Early Learning and Care and other
33 state agencies on the development and implementation of the policies that constitute the statewide
34 system.

35 (d) Advise all appropriate public agencies on achieving the full participation, coordination and
36 cooperation for implementation of a statewide system that includes but is not limited to:

37 (A) Seeking information from service providers, service coordinators, parents and others about
38 any federal, state or local policies that impede timely service delivery; and

39 (B) Taking steps to ensure that any policy problems identified under subparagraph (A) of this
40 paragraph are resolved.

41 (e) Advise the Superintendent of Public Instruction and the Early Learning System Director on
42 identifying the sources of fiscal and other support for early intervention and early childhood special
43 education services, assigning financial responsibility to the appropriate agencies and ensuring that
44 the provisions of interagency agreements under ORS 343.511 are carried out.

45 (f) Review and comment on each agency's services and policies regarding services for infants,

1 toddlers and preschool children with a disability, or infants, toddlers and preschool children who
2 are at risk of developing disabling conditions, and their families to the maximum extent possible to
3 assure cost-effective and efficient use of resources.

4 (g) Advise the Department of Education and the Department of Early Learning and Care on the
5 preparation of applications and amendments thereto.

6 (h) Advise the Superintendent of Public Instruction and the Early Learning System Director
7 regarding transitions of children with a disability, including transitions to kindergarten.

8 (i) Prepare and submit an annual report to the Governor, the Deputy Superintendent of Public
9 Instruction, the Early Learning System Director, the Early Learning Council, the State Board of
10 Education, the Legislative Assembly and the United States Secretary of Education on the status of
11 early intervention and early childhood special education services provided within this state.

12 (6) The council may advise appropriate agencies about integration of services for preschool
13 children with a disability and at-risk preschool children.

14 (7) Terms of office for council members shall be three years, except that:

15 (a) The representative from the State Advisory Council for Special Education shall serve a
16 one-year term; and

17 (b) The representatives from other state agencies and the representatives from the Legislative
18 Assembly shall serve indefinite terms.

19 (8) Subject to approval by the Governor, the council may use federal funds appropriated for this
20 purpose and available to the council to:

21 (a) Conduct hearings and forums;

22 (b) Reimburse nonagency council members under ORS 292.495 for attending council meetings, for
23 performing council duties, and for necessary expenses, including child care for parent members;

24 (c) Pay compensation to a council member if the member is not employed or if the member must
25 forfeit wages from other employment when performing official council business;

26 (d) Hire staff; and

27 (e) Obtain the services of such professional, technical and clerical personnel as may be neces-
28 sary to carry out its functions.

29 (9) Except as provided in subsection (8) of this section, council members shall serve without
30 compensation.

31 (10) The Department of Education shall provide clerical and administrative support, including
32 staff, to the council to carry out the performance of the council's function as described in this sec-
33 tion.

34 (11) The council shall meet at least quarterly. The meetings shall be announced publicly and,
35 to the extent appropriate, be open and accessible to the general public.

36 (12) No member of the council shall cast a vote on any matter that would provide direct finan-
37 cial benefit to that member or otherwise give the appearance of a conflict of interest under state
38 law.

39 **SECTION 238.** ORS 343.961 is amended to read:

40 343.961. (1) As used in this section:

41 (a) "Day treatment program" means a public or private program that provides treatment of
42 children with a mental illness, an emotional disturbance or another mental health issue.

43 (b) "Eligible day treatment program" means a day treatment program with which the Oregon
44 [Health Authority] **Department of Health** contracts for long term care or treatment. "Eligible day
45 treatment program" does not include residential treatment programs or programs that provide care

1 or treatment to juveniles who are in detention facilities.

2 (c)(A) "Eligible residential treatment program" means:

3 (i) A residential treatment program with which the Oregon [*Health Authority*] **Department of**
4 **Health**, the Department of Human Services or the Oregon Youth Authority contracts for long term
5 care or treatment.

6 (ii) A residential program that provides disability-related supports under a license issued by the
7 Department of Human Services under ORS 443.410 and that:

8 (I) Was licensed by the Department of Human Services on July 1, 2021, and maintains that li-
9 cense as a valid license; and

10 (II) Has students being provided education by a school district that received moneys under this
11 section for the 2020-2021 school year and that has an average daily membership, as defined in ORS
12 327.006, of 15,000 or less.

13 (B) "Eligible residential treatment program" does not include psychiatric day treatment pro-
14 grams or programs that provide care or treatment to juveniles who are in detention facilities.

15 (d) "Residential treatment program" means a public or private residential program that provides
16 treatment of children with a mental illness, an emotional disturbance or another mental health issue.

17 (e) "Student" means a child who is placed in an eligible day treatment program or eligible res-
18 idential treatment program by a public or private entity or by the child's parent.

19 (2) The Department of Education shall provide moneys for payment of the costs of education of
20 students in eligible day treatment programs and eligible residential treatment programs as provided
21 by ORS 327.023. Payment shall be made to the school district in which the eligible day treatment
22 program or eligible residential treatment program is located. The costs of education do not include
23 transportation, care, treatment or medical expenses.

24 (3)(a) The school district in which an eligible day treatment program or eligible residential
25 treatment program is located is responsible for providing the education of a student, including the
26 identification, location and evaluation of the student for the purpose of determining the student's
27 eligibility to receive special education and related services.

28 (b) A school district that is responsible for providing an education under this subsection may
29 provide the education:

30 (A) Directly or through another school district or an education service district; and

31 (B) In the facilities of an eligible day treatment program, an eligible residential treatment pro-
32 gram, a school district or an education service district, except that an eligible residential treatment
33 program described in subsection (1)(c)(A)(ii) of this section may not provide education in the facili-
34 ties of the program.

35 (c) When a student is no longer in an eligible day treatment program or eligible residential
36 treatment program, the responsibilities imposed by this subsection terminate and become the re-
37 sponsibilities of the school district where the student is a resident, as determined under ORS 339.133
38 and 339.134.

39 (4) The school district where the student is a resident is responsible for providing transportation
40 to a student enrolled in an eligible day treatment program. Transportation must be provided by the
41 school district where the student is a resident each day the student is scheduled to receive services
42 from the eligible day treatment program.

43 (5) A school district may request the Department of Education to directly make payments to
44 another school district or an education service district for eligible day treatment programs or eli-
45 gible residential treatment programs when education is provided by the other school district or the

1 education service district. Payments made under this subsection do not affect any responsibilities
2 described in subsection (3) of this section for the school district that made the request.

3 (6) The Oregon [*Health Authority*] **Department of Health**, the Department of Human Services
4 or the Oregon Youth Authority shall give the school district providing the education at an eligible
5 day treatment program or an eligible residential treatment program 14 days' notice, to the extent
6 practicable, before a student is dismissed from the program.

7 (7) The Department of Education may make advances to school districts responsible for provid-
8 ing an education to students under this section from funds appropriated for that purpose based on
9 the estimated agreed cost of educating the students per school year. Advances equal to 25 percent
10 of the estimated cost may be made on September 1, December 1 and March 1 of the current year.
11 The balance may be paid whenever the full determination of cost is made.

12 (8) School districts that provide the education described in this section on a year-round plan
13 may apply for 25 percent of the funds appropriated for that purpose on July 1, October 1, January
14 1, and 15 percent on April 1. The balance may be paid whenever the full determination of cost is
15 made.

16 (9) In addition to the payment methods described in this section, the Department of Education
17 may negotiate intergovernmental agreements to pay for the cost of education in day treatment pro-
18 grams and residential treatment programs operated under the auspices of the governing board of a
19 public university listed in ORS 352.002 or the Oregon Health and Science University Board of Di-
20 rectors.

21 **SECTION 239.** ORS 352.256 is amended to read:

22 352.256. In consultation with the Oregon [*Health Authority*] **Department of Health** and the Al-
23cohol and Drug Policy Commission, each public university listed in ORS 352.002 shall adopt a com-
24prehensive alcohol and drug abuse policy and implementation plan.

25 **SECTION 240.** ORS 352.262 is amended to read:

26 352.262. In order to carry out the duties described in ORS 352.256, the governing board of a
27 public university listed in ORS 352.002, in consultation with the Oregon [*Health Authority*] **Depart-**
28**ment of Health** and the Alcohol and Drug Policy Commission, shall adopt standards that, as a
29 minimum, describe the content of what shall be included in the policy and plan described in ORS
30 352.256.

31 **SECTION 241.** ORS 353.485 is amended to read:

32 353.485. (1) There is established the Oregon Psychiatric Access Line program in the Oregon
33 Health and Science University.

34 (2) The Oregon Psychiatric Access Line program shall provide telephone or electronic real-time
35 psychiatric consultations, from 9 a.m. to 5 p.m. on all business days, to primary care providers who
36 care for patients with mental health disorders.

37 (3) Psychiatrists providing advice to primary care providers through the Oregon Psychiatric
38 Access Line program regarding prescription drug treatment options shall be informed by any appli-
39 cable guidelines:

40 (a) In the Practitioner-Managed Prescription Drug Plan adopted by the Oregon [*Health*
41 *Authority*] **Department of Health** under ORS 414.334; or

42 (b) Recommended by the Pharmacy and Therapeutics Committee established by ORS 414.353.

43 **SECTION 242.** ORS 401.054 is amended to read:

44 401.054. (1) Each of the following agencies, entities and officials shall designate an individual to
45 act as a liaison with the Oregon Department of Emergency Management:

- 1 (a) The Department of Consumer and Business Services;
- 2 (b) The Department of Corrections;
- 3 (c) The Department of Education;
- 4 (d) The Department of Environmental Quality;
- 5 (e) The Department of Human Services;
- 6 (f) The Department of Justice;
- 7 (g) The Department of Land Conservation and Development;
- 8 (h) The Department of Public Safety Standards and Training;
- 9 (i) The Department of State Lands;
- 10 (j) The Department of State Police;
- 11 (k) The Department of Transportation;
- 12 (L) The Department of Veterans' Affairs;
- 13 (m) The Employment Department;
- 14 (n) The Housing and Community Services Department;
- 15 (o) The Judicial Department;
- 16 (p) The Oregon Business Development Department;
- 17 (q) The Oregon Department of Administrative Services;
- 18 (r) The Oregon Department of Aviation;
- 19 (s) The Oregon [*Health Authority*] **Department of Health**;
- 20 (t) The Oregon Military Department;
- 21 (u) The Oregon Tourism Commission;
- 22 (v) The Public Utility Commission of Oregon;
- 23 (w) The Secretary of State;
- 24 (x) The State Department of Agriculture;
- 25 (y) The State Department of Energy;
- 26 (z) The State Department of Fish and Wildlife;
- 27 (aa) The State Department of Geology and Mineral Industries;
- 28 (bb) The State Fire Marshal;
- 29 (cc) The State Forestry Department;
- 30 (dd) The State Marine Board;
- 31 (ee) The State Parks and Recreation Department;
- 32 (ff) The Travel Information Council; and
- 33 (gg) The Water Resources Department.

34 (2) Each agency, entity and official required to designate a liaison under this section shall des-
 35 ignate an individual who has authority during an emergency to allocate resources and assets of the
 36 agency, entity or official.

37 (3) Each individual designated as a liaison under subsection (1) of this section shall assist in the
 38 coordination of the functions of the agency, entity or official that designated the individual that
 39 relate to emergency preparedness and response with similar functions of the Oregon Department of
 40 Emergency Management.

41 **SECTION 243.** ORS 401.109, as amended by section 1, chapter 55, Oregon Laws 2022, is
 42 amended to read:

43 401.109. (1) The Oregon Homeland Security Council is established within the Oregon Department
 44 of Emergency Management. The mission of the council is to assess risks to the safety and security
 45 of the State of Oregon with special emphasis on matters related to domestic terrorism and other

1 major threats to the people of Oregon, including to critical infrastructure, and to make formal rec-
 2 ommendations to the Governor with respect to homeland security policy.

3 (2) The council may:

4 (a) Recommend strategies to the Governor for the effective coordination of information gather-
 5 ing and dissemination on subjects associated with the mission.

6 (b) Request and receive briefings from state agencies or other entities for development of reports
 7 and recommendations for the Governor on subjects associated with the mission.

8 (c) Facilitate interagency collaboration, cooperation and coordination on operational issues as-
 9 sociated with the mission.

10 (d) Recommend policies to the Emergency Preparedness Advisory Council on subjects associated
 11 with the mission.

12 (3) The membership of the council consists of:

13 (a) Four members from the Legislative Assembly appointed as follows:

14 (A) Two members from the Senate appointed by the President of the Senate; and

15 (B) Two members from the House of Representatives appointed by the Speaker of the House of
 16 Representatives;

17 (b) The Governor;

18 (c) The Adjutant General;

19 (d) The Superintendent of State Police;

20 (e) The Director of the Oregon Department of Emergency Management;

21 (f) A representative of the Department of Justice appointed by the Attorney General;

22 (g) The State Resilience Officer;

23 (h) The State Fire Marshal;

24 (i) The Director of the Department of Public Safety Standards and Training;

25 (j) The Director of the Oregon [*Health Authority*] **Department of Health**;

26 (k) The Director of Transportation;

27 (L) The State Forester;

28 (m) The Director of the Department of Corrections;

29 (n) The Superintendent of State Police;

30 (o) One member appointed by the Governor to act as a senior policy advisor for emergency op-
 31 erations;

32 (p) A representative of the Oregon TITAN Fusion Center with the ability to organize and ex-
 33 plain mission critical information, appointed by the Attorney General; and

34 (q) Additional members appointed by the Director of the Oregon Department of Emergency
 35 Management as the director may deem necessary.

36 (4) Each member appointed to the council under subsection (3) of this section serves at the
 37 pleasure of the appointing authority. The membership of a public official ceases upon termination
 38 of the office held by the official at the time of appointment to the council.

39 (5) The Governor is the chairperson of the council.

40 (6) The Director of the Oregon Department of Emergency Management is the vice chairperson
 41 of the council and serves as the chairperson in the absence of the Governor.

42 (7) Members of the council are not entitled to compensation under ORS 292.495. The director,
 43 in the director's discretion, may reimburse members of the council as provided in ORS 292.495 for
 44 actual and necessary travel or other expenses incurred in the performance of their duties as mem-
 45 bers of the council.

1 (8) A majority of the members of the council constitutes a quorum for the transaction of busi-
 2 ness.

3 (9) Official action by the council requires the approval of a majority of the members of the
 4 council.

5 (10) If there is a vacancy for any cause, the appointing authority shall make an appointment to
 6 become immediately effective.

7 (11) The council shall meet as needed to carry out the mission of the council, at times and
 8 places specified by the call of the chairperson or of a majority of the members of the council.

9 (12) The council may adopt rules necessary for the operation of the council.

10 (13) The council may employ and fix the compensation of such professional assistants and cler-
 11 ical and other employees as the council deems necessary for the effective conduct of its work.

12 (14) All agencies of state government, as defined in ORS 174.111, are directed to assist the
 13 council in the performance of the duties of the council and, to the extent permitted by laws relating
 14 to confidentiality, to furnish information and advice the members of the council consider necessary
 15 to perform their duties.

16 **SECTION 244.** ORS 401.654 is amended to read:

17 401.654. (1) The Oregon [*Health Authority*] **Department of Health** may establish an emergency
 18 health care provider registry that includes emergency health care providers who are available to
 19 provide health care services during an emergency or crisis. As a condition of inclusion in the reg-
 20 istry, the [*authority*] **department** may require:

21 (a) Training related to the provision of health care services in an emergency or crisis as a
 22 condition of registration; and

23 (b) Criminal background checks for applicants and persons who have been registered.

24 (2) The [*authority*] **department** shall issue identification cards to health care providers entered
 25 in the emergency health care provider registry established under this section that:

26 (a) Identify the health care provider;

27 (b) Indicate that the health care provider is registered as an Oregon emergency health care
 28 provider;

29 (c) Identify the license or certification held by the health care provider, or previously held by
 30 the health care provider if the health care provider is entered in the emergency health care provider
 31 registry under ORS 401.658; and

32 (d) Identify the health care provider's usual area of practice, and the types of health care that
 33 the health care provider is authorized to provide, if that information is available and the
 34 [*authority*] **department** determines that it is appropriate to provide that information.

35 (3) The [*authority*] **department** by rule shall establish a form for identification cards issued
 36 under subsection (2) of this section.

37 (4) The [*authority*] **Oregon Department of Health** shall support and provide assistance to the
 38 Oregon Department of Emergency Management in emergencies or crises involving the public health
 39 or requiring emergency medical response.

40 (5) The [*authority*] **Oregon Department of Health** may enter into agreements with other states
 41 to facilitate the registry of out-of-state health care providers in the emergency health care provider
 42 registry established under this section.

43 **SECTION 245.** ORS 401.657 is amended to read:

44 401.657. (1) The Oregon [*Health Authority*] **Department of Health** may designate all or part of
 45 a health care facility or other location as an emergency health care center. If the Governor declares

1 a state of emergency under ORS 401.165, or declares a state of public health emergency under ORS
2 433.441, emergency health care centers may be used for:

- 3 (a) Evaluation and referral of individuals affected by the emergency;
- 4 (b) Provision of health care services; and
- 5 (c) Preparation of patients for transportation.

6 (2) The Oregon [*Health Authority*] **Department of Health** may enter into cooperative agree-
7 ments with a local public health authority, as defined in ORS 431.003, that allow the local public
8 health authority to designate emergency health care centers under this section.

9 (3) An emergency health care center designated under this section must have an emergency
10 operations plan and a credentialing plan that governs the use of emergency health care providers
11 registered under ORS 401.654 and other health care providers who volunteer to perform health care
12 services at the center under ORS 401.651 to 401.670. The emergency operations plan and creden-
13 tialing plan must comply with rules governing those plans adopted by the Oregon [*Health*
14 *Authority*] **Department of Health**.

15 **SECTION 246.** ORS 401.658 is amended to read:

16 401.658. (1) The Oregon [*Health Authority*] **Department of Health** may include in the emergency
17 health care provider registry established under ORS 401.654 a person who was previously licensed,
18 certified or otherwise authorized to provide health care services in Oregon by a health professional
19 regulatory board if:

20 (a) The person was licensed, certified or otherwise authorized to provide health care services
21 not more than 10 years before entry in the registry; and

22 (b) The person meets such other criteria as may be established by the [*authority*] **department**.

23 (2) Notwithstanding any other law prohibiting a person from providing health care services
24 without a license, certificate or other authorization from a health professional regulatory board, a
25 person entered in the emergency health care provider registry under subsection (1) of this section
26 may provide health care services during a state of emergency declared under ORS 401.165 or a state
27 of public health emergency declared under ORS 433.441 without a license, certification or other
28 authorization if:

29 (a) The person is in compliance with all rules adopted by the [*authority*] **department** for persons
30 providing health care services under this section; and

31 (b) The [*authority*] **department** has directed the person to provide health care services under
32 ORS 401.661 (1).

33 (3) The [*authority*] **department** may adopt rules, after consulting with the appropriate health
34 professional regulatory boards, that establish criteria and requirements for including persons in the
35 emergency health care provider registry under this section, including but not limited to:

36 (a) Educational requirements;

37 (b) Training requirements;

38 (c) Verification of previous licenses, certifications or other authorization by a health profes-
39 sional regulatory board;

40 (d) Verification that the previous licenses, certifications or other authorization of the person
41 was not revoked by reason of unprofessional conduct or any other reason that would affect the
42 person's ability to safely provide health care services; and

43 (e) Limitations on the type of health care services that may be provided by the person under this
44 section and the places at which those services may be provided.

45 **SECTION 247.** ORS 401.661 is amended to read:

1 401.661. If the Governor declares a state of emergency under ORS 401.165 or declares a state
2 of public health emergency under ORS 433.441:

3 (1) The Oregon [*Health Authority*] **Department of Health**, in conjunction with the Department
4 of Human Services for facilities licensed by the Department **of Human Services**, may direct emer-
5 gency health care providers registered under ORS 401.654 who are willing to provide health care
6 services to proceed to any place in this state where health care services are required by reason of
7 the emergency or crisis;

8 (2) Pursuant to the Emergency Management Assistance Compact and the Pacific Northwest
9 Emergency Management Arrangement, the Oregon [*Health Authority*] **Department of Health** may
10 direct emergency health care providers registered under ORS 401.654 who are willing to provide
11 health care services in another state to proceed to another state where emergency health care ser-
12 vices are required by reason of an emergency in that state; and

13 (3) Any emergency health care provider registered under ORS 401.654 or other health care
14 provider may volunteer to perform health care services described in ORS 401.657 at any emergency
15 health care center or health care facility in the manner provided by ORS 401.664.

16 **SECTION 248.** ORS 401.667 is amended to read:

17 401.667. (1) If the Governor declares a state of emergency under ORS 401.165, or declares a state
18 of public health emergency under ORS 433.441, emergency health care providers registered under
19 ORS 401.654 and other health care providers who volunteer to perform health care services under
20 ORS 401.651 to 401.670 are agents of the state under ORS 30.260 to 30.300 for the purposes of any
21 claims arising out of services that are provided under ORS 401.651 to 401.670 pursuant to directions
22 from a public body and that are within the course and scope of the health care provider's duties,
23 without regard to whether the health care provider is compensated for the services.

24 (2) If the Governor declares a state of emergency under ORS 401.165, or declares a state of
25 public health emergency under ORS 433.441, health care facilities designated under ORS 401.657 and
26 other persons operating emergency health care centers designated under ORS 401.657 are agents of
27 the state under ORS 30.260 to 30.300 for the purposes of any claims arising out of services that are
28 provided through those centers or facilities under ORS 401.651 to 401.670 pursuant to directions
29 from a public body and that are within the course and scope of the duties of the health care facility
30 or other person, without regard to whether the health care facility or other person is compensated
31 for the services.

32 (3) An emergency health care provider registered under ORS 401.654 participating in training
33 authorized by the Oregon [*Health Authority*] **Department of Health** under ORS 401.651 to 401.670
34 is an agent of the state under ORS 30.260 to 30.300 for the purposes of any claims arising out of that
35 training.

36 (4) The provisions of subsection (2) of this section apply only to emergency health care centers
37 or health care facilities that have adopted emergency operations plans and credentialing plans that
38 govern the use of emergency health care providers registered under ORS 401.654 and other health
39 care providers who volunteer to perform health care services under ORS 401.651 to 401.670. An
40 emergency operations plan and a credentialing plan must comply with rules governing those plans
41 adopted by the [*authority*] **department**.

42 **SECTION 249.** ORS 401.670 is amended to read:

43 401.670. The Oregon [*Health Authority*] **Department of Health** shall adopt all rules necessary
44 for the implementation of ORS 401.651 to 401.670.

45 **SECTION 250.** ORS 401.851 is amended to read:

1 401.851. (1) The Oregon Department of Emergency Management shall update its statewide
2 emergency plan as necessary to prepare for or respond to wildfire emergencies on an area-wide or
3 statewide basis. The plan developed by the department to prepare for or respond to wildfire emer-
4 gencies shall include, but need not be limited to, wildfire risk mitigation efforts and evacuation
5 planning.

6 (2) The department shall coordinate with cities, counties, adult foster homes, health care facili-
7 ties and residential facilities, the Department of Human Services and the Oregon [*Health*
8 *Authority*] **Department of Health** to establish local or private procedures to prepare for emergen-
9 cies related to wildfire and ensure that local efforts to prevent, respond to or recover from an
10 emergency caused by wildfire are conducted in a manner consistent with the plan developed by the
11 Oregon Department of Emergency Management to prepare for or respond to wildfire emergencies.
12 The coordinated activities may include, but need not be limited to, providing training, carrying out
13 exercises and promoting community education.

14 **SECTION 251.** ORS 401.910 is amended to read:

15 401.910. (1) The Oregon Business Development Department shall develop a grant program for the
16 disbursement of funds for the seismic rehabilitation of critical public buildings, including hospital
17 buildings with acute inpatient care facilities, fire stations, police stations, sheriffs' offices, other fa-
18 cilities used by state, county, district or municipal law enforcement agencies and buildings with a
19 capacity of 250 or more persons that are routinely used for student activities by kindergarten
20 through grade 12 public schools, community colleges, education service districts and institutions of
21 higher education, including but not limited to public universities listed in ORS 352.002. The Oregon
22 Infrastructure Finance Authority established in the department by ORS 285A.096 shall administer
23 the grant program developed under this section. The funds for the seismic rehabilitation of critical
24 public buildings under the grant program are to be provided from the issuance of bonds pursuant
25 to the authority provided in Articles XI-M and XI-N of the Oregon Constitution.

26 (2) The grant program shall include the appointment of a grant committee. The grant committee
27 may be composed of any number of persons with qualifications that the [*authority*] **Oregon**
28 **Infrastructure Finance Authority** determines necessary. However, the authority shall include
29 persons with experience in administering state grant programs and representatives of entities with
30 responsibility over critical public buildings. The authority shall also include as permanent members
31 representatives of:

- 32 (a) The Oregon Department of Emergency Management;
- 33 (b) The State Department of Geology and Mineral Industries;
- 34 (c) The Seismic Safety Policy Advisory Commission;
- 35 (d) The Oregon Department of Administrative Services;
- 36 (e) The Department of Education;
- 37 (f) The Oregon [*Health Authority*] **Department of Health**;
- 38 (g) The Oregon Fire Chiefs Association;
- 39 (h) The Oregon Association Chiefs of Police;
- 40 (i) The Oregon Association of Hospitals and Health Systems; and
- 41 (j) The Confederation of Oregon School Administrators.

42 (3) The [*authority*] **Oregon Infrastructure Finance Authority** shall determine the form and
43 method of applying for grants from the grant program, the eligibility requirements for grant appli-
44 cants, and general terms and conditions of the grants. The authority shall also provide that the
45 grant committee review grant applications and make a determination of funding based on a scoring

1 system that is directly related to the statewide needs assessment performed by the State Department
2 of Geology and Mineral Industries. Additionally, the grant process may:

3 (a) Require that the grant applicant provide matching funds for completion of any seismic re-
4 habilitation project.

5 (b) Provide authority to the grant committee to waive requirements of the grant program based
6 on special circumstances such as proximity to fault hazards, community value of the structure,
7 emergency functions provided by the structure and storage of hazardous materials.

8 (c) Allow an applicant to appeal any determination of grant funding to the authority for ree-
9 valuation.

10 (d) Provide that applicants release the state, the authority and the grant committee from any
11 claims of liability for providing funding for seismic rehabilitation.

12 (e) Provide separate rules for funding rehabilitation of structural and nonstructural building el-
13 ements.

14 (4) Subject to the grant rules established by the [authority] **Oregon Infrastructure Finance**
15 **Authority** and subject to reevaluation by the authority, the grant committee has the responsibility
16 to review and make determinations on grant applications under the grant program established pur-
17 suant to this section.

18 **SECTION 252.** ORS 401.922 is amended to read:

19 401.922. The Oregon Department of Emergency Management shall provide technical, clerical and
20 other necessary support services to the Seismic Safety Policy Advisory Commission. The Department
21 of Consumer and Business Services, the State Department of Geology and Mineral Industries, the
22 Department of Land Conservation and Development, the Department of Transportation, the Oregon
23 [Health Authority] **Department of Health**, the Water Resources Department and the public univer-
24 sities listed in ORS 352.002 shall provide assistance, as required, to the commission to enable it to
25 meet its objectives.

26 **SECTION 253.** ORS 403.450 is amended to read:

27 403.450. (1) The State Interoperability Executive Council is created under the State Chief In-
28 formation Officer to be the statewide interoperability governing body serving as the primary steer-
29 ing group for the Oregon Statewide Communication Interoperability Plan. The membership of the
30 council consists of:

31 (a) Two members from the Legislative Assembly, as follows:

32 (A) The President of the Senate shall appoint one member from the Senate with an interest in
33 public safety communications infrastructure; and

34 (B) The Speaker of the House of Representatives shall appoint one member from the House of
35 Representatives with an interest in public safety and emergency communications infrastructure.

36 (b) The following members appointed by the Governor:

37 (A) One member from the Department of State Police;

38 (B) One member from the Oregon Department of Emergency Management;

39 (C) One member from the State Forestry Department;

40 (D) One member from the Department of Corrections;

41 (E) One member from the Department of Transportation;

42 (F) One member from the office of Enterprise Information Services;

43 (G) One member from the Oregon [Health Authority] **Department of Health**;

44 (H) One member from the Oregon Military Department;

45 (I) One member from the Department of Public Safety Standards and Training;

- 1 (J) One member from the Oregon Broadband Advisory Council;
- 2 (K) One member of an Indian tribe as defined in ORS 97.740 or a designee of an Indian tribe;
- 3 and
- 4 (L) One member of the public.
- 5 (c) The following members appointed by the Governor with the concurrence of the President of
- 6 the Senate and the Speaker of the House of Representatives:
- 7 (A) One member from the Oregon Fire Chiefs Association;
- 8 (B) One member from the Oregon Association Chiefs of Police;
- 9 (C) One member from the Oregon State Sheriffs' Association;
- 10 (D) One member from the Association of Oregon Counties;
- 11 (E) One member from the League of Oregon Cities;
- 12 (F) One member from the Special Districts Association of Oregon;
- 13 (G) One member who is an information technology officer of an Oregon city;
- 14 (H) One member who is an information technology officer of an Oregon county;
- 15 (I) One member who represents a nonprofit professional organization interested in the enhance-
- 16 ment of public safety communications systems; and
- 17 (J) One member of the public who works or resides in Federal Communications Commission
- 18 Region 35.
- 19 (2) Each agency or organization identified in subsection (1)(b)(A) to (J) and (1)(c)(A) to (H) of this
- 20 section shall recommend an individual from the agency or organization for membership on the
- 21 council.
- 22 (3) Members of the council are not entitled to compensation, but in the discretion of the State
- 23 Chief Information Officer may be reimbursed from funds available to the office of Enterprise Infor-
- 24 mation Services for actual and necessary travel and other expenses the members incur in performing
- 25 the members' official duties in the manner and amount provided in ORS 292.495.
- 26 (4) Members of the Legislative Assembly appointed to the council are nonvoting members and
- 27 may act in an advisory capacity only.
- 28 **SECTION 254.** ORS 408.310 is amended to read:
- 29 408.310. (1) A physician, physician assistant licensed under ORS 677.505 to 677.525 or nurse
- 30 practitioner licensed under ORS 678.375 to 678.390 who has primary responsibility for the treatment
- 31 of a veteran who may have been exposed to causative agents while serving in the Armed Forces of
- 32 the United States or for the treatment of a veteran's spouse, surviving spouse or minor child who
- 33 may be exhibiting symptoms or conditions that may be attributable to the veteran's exposure to
- 34 causative agents shall, at the request and direction of the veteran, veteran's spouse or surviving
- 35 spouse or the parent or guardian of such minor child, submit a report to the Oregon [*Health Au-*
- 36 *thority*] **Department of Health**. The report shall be made on a form adopted by the [*authority*] **de-**
- 37 **partment** and made available to physicians, physician assistants, nurse practitioners and hospitals
- 38 in this state.
- 39 (2) If there is no physician, physician assistant or nurse practitioner having primary responsi-
- 40 bility for the treatment of a veteran, veteran's spouse, surviving spouse or minor child, then the
- 41 senior medical supervisor of the hospital or clinic treating the veteran, veteran's spouse, surviving
- 42 spouse or minor child shall submit the report described in this section to the [*authority*] **department**
- 43 at the request and direction of the veteran, veteran's spouse or surviving spouse or the parent or
- 44 legal guardian of a veteran's minor child.
- 45 (3) The form adopted by the [*authority*] **department** under this section shall list the symptoms

1 commonly attributed to exposure to causative agents, and shall require the following information:

2 (a) Symptoms of the patient which may be related to exposure to causative agents.

3 (b) A diagnosis of the patient's condition.

4 (c) Methods of treatment prescribed.

5 (d) Any other information required by the [authority] **department**.

6 (4) The [authority] **department**, after receiving a report from a physician, physician assistant,
7 nurse practitioner, hospital or clinic under this section, may require the veteran, veteran's spouse,
8 surviving spouse or minor child to provide such other information as may be required by the [au-
9 thority] **department**.

10 **SECTION 255.** ORS 408.320 is amended to read:

11 408.320. The Oregon Public Health Advisory Board created under ORS 431.122 shall:

12 (1) Order the compilation of statistical data from information obtained under ORS 408.310 and
13 determine the use and dissemination of that data.

14 (2) Make recommendations to the Director of the Oregon [Health Authority] **Department of**
15 **Health** or the Director of Veterans' Affairs concerning the implementation and operation of pro-
16 grams authorized by ORS 408.300 to 408.340.

17 (3) Assess programs of federal agencies operating for the benefit of veterans exposed to
18 causative agents and their families, and make recommendations to the appropriate agencies for the
19 improvement of those programs.

20 (4) Suspend or terminate specific programs or duties required under ORS 408.300 to 408.340
21 when necessary to prevent duplication of those programs or duties by other governmental agencies.

22 (5) Apply for, receive and accept any grants or contributions available from the United States
23 or any of its agencies for the purpose of carrying out ORS 408.300 to 408.340.

24 (6) When the advisory board considers it necessary for the health and welfare of veterans and
25 the spouses, surviving spouses and minor children of veterans, ask the Attorney General to initiate
26 proceedings as provided under ORS 408.335.

27 (7) Report biennially to the Legislative Assembly or to the Emergency Board, as appropriate,
28 as necessary to accomplish the objectives of ORS 408.300 to 408.340 concerning the programs insti-
29 tuted under ORS 408.300 to 408.340.

30 **SECTION 256.** ORS 408.325 is amended to read:

31 408.325. (1) The Oregon [Health Authority] **Department of Health** and the Oregon Public Health
32 Advisory Board shall institute a cooperative program to refer veterans to appropriate state and
33 federal agencies for the purpose of filing claims to remedy medical and financial problems caused
34 by exposure to causative agents.

35 (2) The Director of the Oregon [Health Authority] **Department of Health**, after receiving the
36 recommendations of the advisory board, shall adopt rules to provide for the administration and op-
37 eration of programs authorized by ORS 408.300 to 408.340. The director shall cooperate with appro-
38 priate state and federal agencies in providing services under ORS 408.300 to 408.340.

39 **SECTION 257.** ORS 408.570 is amended to read:

40 408.570. When a veteran who has been adjudged under ORS 426.130 to be a person with mental
41 illness is eligible for treatment in a United States veterans facility and commitment is necessary for
42 the proper care and treatment of such veteran, the Oregon [Health Authority] **Department of**
43 **Health** or community mental health program director, as provided under ORS 426.060, may, upon
44 receipt of a certificate of eligibility from the United States Department of Veterans Affairs, assign
45 the person to the United States Department of Veterans Affairs for care, custody and treatment in

1 a United States veterans facility. Upon admission to any such facility, the veteran shall be subject
2 to the rules and regulations of the United States Department of Veterans Affairs and provisions of
3 ORS 426.060 to 426.395 and related rules and regulations of the Oregon [*Health Authority*] **Depart-**
4 **ment of Health**. The chief officer of such facility shall be vested with the same powers exercised
5 by superintendents of state hospitals for persons with mental illness within this state with reference
6 to the retention, transfer, trial visit or discharge of the veteran so assigned. The commitment of a
7 veteran to a veterans facility within this state by a court of another state under a similar provision
8 of law has the same force and effect as if the veteran was committed to a veterans facility within
9 that other state.

10 **SECTION 258.** ORS 408.580 is amended to read:

11 408.580. Upon receipt of a certificate of eligibility and available facilities, the Oregon [*Health*
12 *Authority*] **Department of Health** may cause to be transferred any veteran from any facility to
13 which the veteran has been assigned to a United States veterans facility. No veteran under sentence
14 by any court, or committed by any court after having been charged with any crime and found guilty
15 except for insanity, may be transferred without an order of such court authorizing the transfer.
16 Whenever any veteran, not a convict, has been committed by order of a court and is transferred as
17 provided in this section, the order of commitment shall be held to apply to the facility to which the
18 veteran is transferred as to any other facility to which the veteran could be assigned or transferred
19 under ORS 426.060.

20 **SECTION 259.** ORS 409.010 is amended to read:

21 409.010. (1) The Department of Human Services is created.

22 (2) The department is responsible for the delivery and administration of programs and services
23 relating to:

24 (a) Children and families, including but not limited to child protective services, foster care,
25 residential care for children and adoption services;

26 (b) Elderly persons and persons with disabilities, including but not limited to social, health and
27 protective services and promotion of hiring of otherwise qualified persons who are certifiably disa-
28 bled;

29 (c) Persons who, as a result of the person's or the person's family's economic, social or health
30 condition, require financial assistance or other social services;

31 (d) Developmental disabilities;

32 (e) Vocational rehabilitation for individuals with disabilities;

33 (f) Licensing and regulation of individuals, facilities, institutions and programs providing health
34 and human services and long term care services delegated to the department by or in accordance
35 with the provisions of state and federal law;

36 (g) Services provided in long term care facilities, home-based and community-based care settings
37 and residential facilities to individuals with physical disabilities or developmental disabilities and
38 to seniors who receive residential facility care; and

39 (h) All other human service programs and functions delegated to the department by or in ac-
40 cordance with the provisions of state and federal law.

41 (3) The department shall be the recipient of all federal funds paid or to be paid to the state to
42 enable the state to provide the programs and services assigned to the department except for
43 Medicaid funds that are granted to the Oregon [*Health Authority*] **Department of Health**.

44 (4)(a) All personnel of the Department of Human Services, including those engaged in the ad-
45 ministration of vocational rehabilitation programs, public assistance programs, medical assistance

1 programs and services to families or children in compliance with the federal Social Security laws,
 2 shall be subject to the merit system prescribed in the State Personnel Relations Law. For purposes
 3 of the State Personnel Relations Law, the department is the appointing authority of all employees
 4 in the department.

5 (b) The Director of Human Services, in conformity with the State Personnel Relations Law, may
 6 appoint and employ such personnel as may be necessary for the department, and may appoint and
 7 fix the compensation of all assistants and employees of the department.

8 (c) The director may authorize reimbursement of such expenses as are approved by the depart-
 9 ment and incurred by assistants and employees of the department, and by volunteers or other per-
 10 sons not employed by the department, in carrying out duties assigned or authorized by the
 11 department.

12 (5) The director may designate employees to be custodians of records within any of the organ-
 13 izational units of the department, and persons so designated shall have the duties and powers of
 14 custodians of public records as prescribed by law. Such designation shall be in writing and notice
 15 thereof shall be filed in the office of the Secretary of State, with the director and in the organiza-
 16 tional unit to which the authorization applies.

17 **SECTION 260.** ORS 410.075 is amended to read:

18 410.075. The Department of Human Services or the Oregon [*Health Authority*] **Department of**
 19 **Health** may take title to real and personal property in performing its duties under ORS 411.630,
 20 411.708, 411.795, 416.310 and 416.350. Title shall be taken in the name of the Department **of Human**
 21 **Services** or the [*authority*] **Oregon Department of Health**. The Department **of Human Services**
 22 or the [*authority*] **Oregon Department of Health** may convey the property by deed or other ap-
 23 propriate conveyance under procedures adopted by rule of the Department **of Human Services** or
 24 the [*authority*] **Oregon Department of Health**.

25 **SECTION 261.** ORS 410.080 is amended to read:

26 410.080. (1) The Department of Human Services is the designated single state agency for all
 27 federal programs under ORS 409.010 and 410.040 to 410.300 except that the Oregon [*Health*
 28 *Authority*] **Department of Health** is the single state agency responsible for supervising the admin-
 29 istration of all programs funded by Title XIX or Title XXI of the Social Security Act as provided in
 30 ORS 413.032 (1)(i).

31 (2) Except as provided in ORS 410.070 (2)(d) and 410.100, the administration of services to clients
 32 under ORS 410.040 to 410.300 shall be through area agencies, and shall comply with all applicable
 33 federal regulations.

34 **SECTION 262.** ORS 410.600 is amended to read:

35 410.600. As used in ORS 410.595 to 410.625:

36 (1) "Activities of community inclusion" includes but is not limited to volunteer activities, em-
 37 ployment, development of community life skills and participation in social and recreational commu-
 38 nity events.

39 (2) "Activities of daily living" includes but is not limited to the following:

- 40 (a) Bathing and personal hygiene;
- 41 (b) Dressing and grooming;
- 42 (c) Eating;
- 43 (d) Mobility;
- 44 (e) Bowel and bladder management; and
- 45 (f) Cognition.

1 (3) “Adult support services” means individually determined services, activities and purchases,
 2 whether those services, activities and purchases are necessary for an individual to live in the
 3 individual’s own home or the individual’s family’s home or to fully participate in community life or
 4 work, that:

5 (a) Complement existing services, activities or purchases available to the individual;

6 (b) Are designed, selected and managed by the individual or the individual’s legal representative;

7 (c) Are provided in accordance with an individualized plan; and

8 (d) Allow individuals to choose and have control over services and life goals.

9 (4) “Area agency” has the meaning given that term in ORS 410.040.

10 (5) “Commission” means the Home Care Commission established and operated pursuant to sec-
 11 tion 11, Article XV of the Oregon Constitution, and ORS 410.595 to 410.625.

12 (6) “Elderly person” has the meaning given that term in ORS 410.040.

13 (7) “Home care registry” means the registry described in ORS 410.604 (1)(e).

14 (8) “Home care services” means assistance with activities of daily living, activities of community
 15 inclusion and self-management provided by a home care worker or personal support worker for an
 16 elderly person or a person with a disability.

17 (9) “Home care worker” means a person:

18 (a)(A) Who is hired or selected by an elderly person or a person with a physical disability or
 19 by a parent or guardian of an elderly person or a person with a physical disability;

20 (B) Who receives moneys from the Department of Human Services for the purpose of providing
 21 care to the elderly person or the person with a physical disability;

22 (C) Whose compensation is funded in whole or in part by the department, an area agency or
 23 other public agency; and

24 (D) Who provides either hourly or live-in home care services; or

25 (b) Who provides home care services to private payers through the program described in ORS
 26 410.605.

27 (10) “Payment rates” means the cost to a private payer to purchase home care services through
 28 the program described in ORS 410.605.

29 (11) “Person with a disability” means a person with a physical disability, developmental disa-
 30 bility or mental illness.

31 (12) “Personal support worker” means a person:

32 (a) Who is hired or selected by a person with a developmental disability or mental illness or a
 33 parent or guardian of a person with a developmental disability or mental illness;

34 (b) Who receives moneys from the department for the purpose of providing care to the person
 35 with a developmental disability or mental illness;

36 (c) Whose compensation is provided in whole or in part through the department, a support ser-
 37 vices brokerage or other public agency; and

38 (d) Who provides home care services in the home or community.

39 (13) “Private pay home care worker” means a home care worker who provides home care ser-
 40 vices purchased from the commission by a private payer through the program described in ORS
 41 410.605.

42 (14)(a) “Private payer” means an individual who purchases from the commission home care ser-
 43 vices that are not otherwise covered by the medical assistance program.

44 (b) “Private payer” does not include the Home Care Commission, the Department of Human
 45 Services, the Oregon *[Health Authority]* **Department of Health**, an area agency or a support ser-

1 vices brokerage.

2 (15) "Self-management" includes but is not limited to the following activities, other than activ-
 3 ities of daily living, required by an individual to continue living independently in the individual's
 4 own home:

- 5 (a) Medication and oxygen management;
- 6 (b) Transportation;
- 7 (c) Meal preparation;
- 8 (d) Shopping; and
- 9 (e) Client-focused general household work.

10 (16) "Support services brokerage" means an entity that performs the functions associated with
 11 the planning and implementation of adult support services, including the provision of services and
 12 the arrangement of activities and purchases, for the purpose of maximizing individual choice and
 13 self-determination for persons with developmental disabilities or mental illnesses.

14 **SECTION 263.** ORS 410.606 is amended to read:

15 410.606. (1)(a) The Department of Human Services, an area agency, other public agency or sup-
 16 port services brokerage shall provide to an individual seeking a home care worker or a personal
 17 support worker names of qualified individuals, in the appropriate geographic area, who have been
 18 placed on the home care registry.

19 (b) The Home Care Commission may adopt criteria for referrals in order to ensure the effective
 20 delivery of home care services from qualified, committed, experienced and well-trained home care
 21 workers and personal support workers and to ensure that, for private pay home care workers, the
 22 requirements of ORS 410.605 are met.

23 (2) To facilitate the development and maintenance of the home care registry and any training
 24 opportunity offered by the commission, and to meet the requirements of providing workers' com-
 25 pensation, the Department **of Human Services**, the Oregon [*Health Authority*] **Department of**
 26 **Health**, area agencies, other public agencies and support services brokerages shall report to the
 27 commission:

28 (a) The name and address of any home care worker or personal support worker:

- 29 (A) Who provides home care services;
- 30 (B) Whose compensation is funded in whole or in part with state funds; and
- 31 (C) Who is not listed on the registry;

32 (b) The name of the program under which the home care worker or personal support worker
 33 provides the home care services;

34 (c) Any other data required by the commission for training and registry purposes; and

35 (d) Any other data required for workers' compensation purposes.

36 (3) If necessary to collect the information required by subsection (2) of this section:

37 (a) The commission shall request the required information from the Department **of Human**
 38 **Services**, the [*authority*] **Oregon Department of Health** or any agency or support services bro-
 39 kerage that provides or arranges payroll services for home care workers or personal support work-
 40 ers; and

41 (b) The Department **of Human Services**, [*authority*] **Oregon Department of Health**, agency
 42 or support services brokerage shall provide the commission with the requested information.

43 (4) If the commission, with the assistance of the Department **of Human Services**, determines
 44 that the supply of home care workers is inadequate to meet the needs of medical assistance recipi-
 45 ents who qualify for home care services, the commission may suspend or reduce the number of re-

1 ferrals of home care workers under the program described in ORS 410.605.

2 **SECTION 264.** ORS 410.619, as amended by section 53, chapter 700, Oregon Laws 2019, is
3 amended to read:

4 410.619. (1) A home care worker or personal support worker who is not otherwise employed by
5 the Home Care Commission, the Department of Human Services, the Oregon [*Health Authority*] **De-**
6 **partment of Health**, an area agency or a support services brokerage shall not be deemed to be an
7 employee of the state, whether or not the state selects the home care worker or personal support
8 worker for employment or exercises any direction or control over the home care worker or personal
9 support worker, for the purpose of the state's liability for the actions of the home care worker or
10 personal support worker.

11 (2) The state shall be deemed an employer of home care workers or personal support workers
12 for the purposes of:

13 (a) ORS 410.605, 410.606, 410.612 and 410.614 and ORS chapter 657B; and

14 (b) ORS chapter 657, except as provided in ORS 657.730 (4).

15 **SECTION 265.** ORS 410.720 is amended to read:

16 410.720. It is the policy of this state to provide mental health and addiction services for all
17 Oregon senior citizens and persons with disabilities through a comprehensive and coordinated
18 statewide network of local mental health services and alcohol and drug abuse education and treat-
19 ment. These services should involve family and friends and be provided in the least restrictive and
20 most appropriate settings.

21 (2) The Department of Human Services and the Oregon [*Health Authority*] **Department of**
22 **Health** shall facilitate the formation of local community partnerships between the senior, disability,
23 mental health, alcohol and drug abuse and health care communities by supporting the development
24 of program approaches that meet minimum standards adopted by the Oregon [*Health Authority*]
25 **Department of Health** under ORS 430.357 including, but not limited to:

26 (a) Mental health and addiction screenings and assessments in long term care settings;

27 (b) Outreach services to seniors and persons with disabilities in their homes, including
28 gatekeeper programs, neighborhood programs and programs designed for rural communities;

29 (c) Multilingual and multicultural medical and psychiatric services for ethnic minorities with
30 physical disabilities and hearing impairments;

31 (d) Education and training for health care consumers, health care professionals and mental
32 health and addiction services providers on mental health and addiction issues, programs and ser-
33 vices for seniors and persons with disabilities; and

34 (e) Education and consultation services for primary care physicians and naturopathic physicians
35 treating seniors and persons with disabilities.

36 (3) In carrying out the provisions of subsections (1) and (2) of this section, the Department of
37 **Human Services** and the [*authority*] **Oregon Department of Health** shall:

38 (a) Develop plans for service coordination within the Department of **Human Services** and the
39 [*authority*] **Oregon Department of Health**;

40 (b) Recommend budget provisions for the delivery of needed services offered by [*the department*
41 *and the authority*] **each department**; and

42 (c) Develop plans for expanding mental health and addiction services for seniors and persons
43 with disabilities to meet the increasing demand.

44 **SECTION 266.** ORS 411.010 is amended to read:

45 411.010. As used in this chapter and in other statutes providing for assistance and services to

1 needy persons, unless the context or a specially applicable statutory definition requires otherwise:

2 (1) "General assistance" means assistance or service of any character provided to needy persons
3 not otherwise provided for to the extent of such need and the availability of funds, including med-
4 ical, surgical and hospital or other remedial care.

5 (2) "Public assistance" means the following types of assistance:

6 (a) Temporary assistance for needy families granted under ORS 412.001 to 412.069;

7 (b) General assistance granted under ORS 411.710 to 411.730 or 411.752;

8 (c) Assistance provided by the Oregon Supplemental Income Program;

9 (d) General assistance other than general assistance granted under ORS 411.710 to 411.730 or
10 411.752; and

11 (e) Any other functions, except the administration of medical assistance by the Oregon [*Health*
12 *Authority*] **Department of Health**, that may be delegated to the Director of Human Services by or
13 in accordance with federal and state laws.

14 **SECTION 267.** ORS 411.083 is amended to read:

15 411.083. (1) The Department of Human Services, in consultation with the Oregon [*Health Au-*
16 *thority*] **Department of Health**, may prescribe by rule that income and resources may be disre-
17 garded in the determination of eligibility and the amount of need with respect to a recipient of or
18 applicant for public assistance under ORS 411.706 and ORS chapter 414, if required by federal law
19 or rules adopted pursuant thereto or if authorized by the Legislative Assembly, including any in-
20 crease in the amount of assistance that is authorized by section 4, Public Law 93-233 (87 Stat. 953)
21 and which is also being paid on March 5, 1974.

22 (2) The Department **of Human Services**, in consultation with the [*authority*] **Oregon Depart-**
23 **ment of Health**, shall prescribe by rule that in the determination of eligibility and the amount of
24 need with respect to a recipient of or applicant for public assistance under ORS 411.706 and ORS
25 chapter 414:

26 (a) Any increase in the amount of assistance provided under Title XVI of the Social Security
27 Act to meet changes in the cost of living that is an increase over that amount being paid on January
28 1, 1977, pursuant to an Act of Congress and which will first be paid after January 1, 1977, shall be
29 disregarded.

30 (b) Up to \$10,000 equity value of any licensed and unlicensed vehicles owned by the applicant
31 or recipient is exempt from consideration as a resource.

32 (3) The Department **of Human Services** shall implement subsection (2)(b) of this section state-
33 wide to the extent possible that is consistent with federal regulation to maintain state eligibility for
34 federal participation in public assistance programs. In the event the department determines that this
35 policy has a net fiscal cost to the state, the department shall present the fiscal analysis to the
36 Emergency Board for additional funding or direction to modify or suspend the policy.

37 **SECTION 268.** ORS 411.095 is amended to read:

38 411.095. (1)(a) Except as provided in paragraph (b) of this subsection, when the Department of
39 Human Services or the Oregon [*Health Authority*] **Department of Health** changes a benefit stand-
40 ard that results in the reduction, suspension or closure of a grant of public assistance or a grant
41 of medical assistance, the Department **of Human Services** or the [*authority*] **Oregon Department**
42 **of Health** shall mail a notice of intended action to each recipient affected by the change at least
43 30 days before the effective date of the action.

44 (b) If the Department **of Human Services** or the [*authority*] **Oregon Department of Health**
45 has fewer than 60 days before the effective date to implement a proposed change described in par-

1 agraph (a) of this subsection, the Department **of Human Services** or the [*authority*] **Oregon De-**
 2 **partment of Health** shall mail a notice of intended action to each recipient affected by the change
 3 as soon as practicable but at least 10 working days before the effective date of the action.

4 (2) When the federal government changes a benefit or standard that results in the suspension
 5 or closure of supplemental nutrition assistance issued under ORS 411.806 to 411.845 or 413.500 for
 6 the entire caseload or a significant portion of the caseload of recipients in this state, the Depart-
 7 **ment of Human Services** and the [*authority*] **Oregon Department of Health** are not required to
 8 mail a notice of intended action to each recipient affected by the change but shall publicize the
 9 change using one or more of the following methods:

10 (a) Informing the public through the news media.

11 (b) Placing posters in the offices that serve affected recipients, in the locations where supple-
 12 mental nutrition assistance is issued to affected recipients and at other sites frequented by affected
 13 recipients.

14 (c) Mailing a general notice to the households of affected recipients.

15 (3) When the Department **of Human Services** or the [*authority*] **Oregon Department of Health**
 16 conducts a hearing pursuant to ORS 416.310 to 416.340 and 416.510 to 416.830 and 416.990 or when
 17 the Department **of Human Services** or the [*authority*] **Oregon Department of Health** proposes to
 18 deny, reduce, suspend or terminate a grant of public assistance, a grant of medical assistance or a
 19 support service payment used to support participation in the job opportunity and basic skills pro-
 20 gram, the Department **of Human Services** or the [*authority*] **Oregon Department of Health** shall
 21 provide an opportunity for a hearing under ORS chapter 183.

22 (4) When emergency assistance or the continuation of assistance pending a hearing on the re-
 23 duction, suspension or termination of public assistance, medical assistance or a support service
 24 payment used to support participation in the job opportunity and basic skills program is denied, and
 25 the applicant for or recipient of public assistance, medical assistance or a support service payment
 26 requests a hearing on the denial, an expedited hearing on the denial shall be held within five
 27 working days after the request. A written decision shall be issued within three working days after
 28 the hearing is held.

29 (5) For purposes of this section, a reduction or termination of services resulting from an as-
 30 sessment for service eligibility as defined in ORS 411.099 is a grant of public assistance.

31 (6) Adoption of rules, conduct of hearings and issuance of orders and judicial review of rules
 32 and orders shall be in accordance with ORS chapter 183.

33 **SECTION 269.** ORS 411.300 is amended to read:

34 411.300. (1) The Department of Human Services shall adopt and enforce rules governing the
 35 custody, use and preservation of the records, papers, files and communications of the department in
 36 accordance with applicable privacy laws. The use of the records, papers, files and communications
 37 is limited to the purposes for which they are furnished and by the provisions of the law under which
 38 they may be furnished.

39 (2) The records, papers, files and communications of the department may be maintained in a
 40 single or combined data system accessible to the department and to the Oregon [*Health Authority*]
 41 **Department of Health** for the administration of programs and the coordination of functions shared
 42 by the [*department and the authority*] **departments**.

43 **SECTION 270.** ORS 411.320 is amended to read:

44 411.320. (1) For the protection of applicants for and recipients of public assistance, except as
 45 otherwise provided in this section, the Department of Human Services may not disclose or use the

1 contents of any public assistance records, files, papers or communications for purposes other than
 2 those directly connected with the administration of the public assistance programs or necessary to
 3 assist public assistance applicants and recipients in accessing and receiving other governmental or
 4 private nonprofit services, and these records, files, papers and communications are considered con-
 5 fidential subject to the rules of the department. In any judicial or administrative proceeding, except
 6 proceedings directly connected with the administration of public assistance or child support
 7 enforcement laws, their contents are considered privileged communications.

8 (2) Nothing in this section prohibits the disclosure or use of contents of records, files, papers
 9 or communications for purposes directly connected with the establishment and enforcement of sup-
 10 port obligations pursuant to the Title IV-D program.

11 (3) Nothing in this section prohibits the disclosure of the address, Social Security number and
 12 photograph of any applicant or recipient to a law enforcement officer at the request of the officer.
 13 To receive information pursuant to this section, the officer must furnish the agency the name of the
 14 applicant or recipient and advise that the applicant or recipient:

15 (a) Is fleeing to avoid prosecution, custody or confinement after conviction for a felony;

16 (b) Is violating a condition of probation or parole; or

17 (c) Has information that is necessary for the officer to conduct the official duties of the officer
 18 and the location or apprehension of the applicant or recipient is within such official duties.

19 (4) Nothing in this section prohibits disclosure of information between the Department of **Hu-**
 20 **man Services** and the Oregon [*Health Authority*] **Department of Health** for the purpose of ad-
 21 ministering public assistance programs.

22 **SECTION 271.** ORS 411.400 is amended to read:

23 411.400. (1) An application for any category of aid shall also constitute an application for med-
 24 ical assistance.

25 (2) The Department of Human Services and the Oregon [*Health Authority*] **Department of**
 26 **Health** shall accept an application for medical assistance and any required verification of eligibility
 27 from the applicant, an adult who is in the applicant's household or family, an authorized represen-
 28 tative of the applicant or, if the applicant is a minor or incapacitated, someone acting on behalf of
 29 the applicant:

30 (a) Over the Internet;

31 (b) By telephone;

32 (c) By mail;

33 (d) In person; and

34 (e) Through other commonly available electronic means.

35 (3) The Department of **Human Services** and the [*authority*] **Oregon Department of Health**
 36 may require an applicant or person acting on behalf of an applicant to provide only the information
 37 necessary for the purpose of making an eligibility determination or for a purpose directly connected
 38 to the administration of medical assistance or the health insurance exchange.

39 (4) The Department of **Human Services** and the [*authority*] **Oregon Department of Health**
 40 shall provide application and recertification assistance to individuals with disabilities, individuals
 41 with limited English proficiency, individuals facing physical or geographic barriers and individuals
 42 seeking help with the application for medical assistance or recertification of eligibility for medical
 43 assistance:

44 (a) Over the Internet;

45 (b) By telephone; and

1 (c) In person.

2 (5)(a) The Department **of Human Services** shall promptly transfer information received under
3 this section to the [*authority*] **Oregon Department of Health** as necessary for the determination
4 of eligibility for the health insurance exchange, premium tax credits or cost-sharing reductions.

5 (b) The Department **of Human Services** shall promptly transfer information received under this
6 section to the [*authority*] **Oregon Department of Health** for individuals who are eligible for med-
7 ical assistance because they qualify for public assistance.

8 **SECTION 272.** ORS 411.402 is amended to read:

9 411.402. (1) The Department of Human Services and the Oregon [*Health Authority*] **Department**
10 **of Health** shall adopt by rule, consistent with federal requirements, the procedures for verifying
11 eligibility for medical assistance, including but not limited to all of the following:

12 (a) The Department **of Human Services** and the [*authority*] **Oregon Department of Health**
13 shall access all relevant state and federal electronic databases for any eligibility information avail-
14 able through the databases.

15 (b) The Department **of Human Services** and the [*authority*] **Oregon Department of Health**
16 shall verify the following factors through self-attestation:

17 (A) Pregnancy;

18 (B) Date of birth;

19 (C) Household composition; and

20 (D) Residency.

21 (c) The Department **of Human Services** and the [*authority*] **Oregon Department of Health**
22 may not use self-attestation to verify citizenship and immigration status.

23 (d) The Department **of Human Services** and the [*authority*] **Oregon Department of Health**
24 may require the applicant to provide verification in addition to the verification specified in this
25 subsection only if the Department **of Human Services** and the [*authority*] **Oregon Department of**
26 **Health** are unable to obtain the information electronically or if the information obtained electron-
27 ically is not reasonably compatible with information provided by or on behalf of the applicant.

28 (e) The Department **of Human Services** and the [*authority*] **Oregon Department of Health**
29 shall use methods of administration that are in the best interests of applicants and recipients and
30 that are necessary for the proper and efficient operation of the medical assistance program.

31 (2) Information obtained by the Department **of Human Services** under this section may be
32 shared with the [*authority*] **Oregon Department of Health** and with other state or federal agencies
33 for the purpose of:

34 (a) Verifying eligibility for medical assistance, participation in the exchange or other health
35 benefit programs;

36 (b) Establishing the amount of any tax credit due to the person, cost-sharing reduction or pre-
37 mium assistance;

38 (c) Improving the provision of services; and

39 (d) Administering health benefit programs.

40 **SECTION 273.** ORS 411.404 is amended to read:

41 411.404. (1) The Department of Human Services or the Oregon [*Health Authority*] **Department**
42 **of Health** shall determine eligibility for medical assistance according to criteria prescribed by rule
43 and in accordance with the requirements for securing federal financial participation in the costs of
44 administering Titles XIX and XXI of the Social Security Act.

45 (2) Rules adopted under this section may not require any needy person over 65 years of age, as

1 a condition of entering or remaining in a hospital, nursing home or other congregate care facility,
2 to sell any real property normally used as the person's home.

3 **SECTION 274.** ORS 411.406 is amended to read:

4 411.406. (1) A medical assistance recipient shall immediately notify the Department of Human
5 Services or the Oregon [*Health Authority*] **Department of Health**, if required, of the receipt or
6 possession of property or income or other change in circumstances that directly affects the eligi-
7 bility of the recipient to receive medical assistance, or that directly affects the amount of medical
8 assistance for which the recipient is eligible. Failure to give the notice shall entitle the Department
9 **of Human Services** or the [*authority*] **Oregon Department of Health** to recover from the recipient
10 the amount of assistance improperly disbursed by reason thereof.

11 (2)(a) The Department **of Human Services** or the [*authority*] **Oregon Department of Health**
12 shall redetermine the eligibility of a medical assistance recipient at intervals specified by federal
13 law.

14 (b) The Department **of Human Services** and the [*authority*] **Oregon Department of Health**
15 shall redetermine eligibility under this subsection on the basis of information available to the De-
16 partment **of Human Services** and the [*authority*] **Oregon Department of Health** and may not re-
17 quire the recipient to provide information if the Department **of Human Services** or the [*authority*]
18 **Oregon Department of Health** is able to determine eligibility based on information in the
19 recipient's record or through other information that is available to the Department **of Human**
20 **Services** or the [*authority*] **Oregon Department of Health**.

21 (3) Notwithstanding subsection (2) of this section, if the Department **of Human Services** or the
22 [*authority*] **Oregon Department of Health** receives information about a change in a medical as-
23 sistance recipient's circumstances that may affect eligibility for medical assistance, the Department
24 **of Human Services** or the [*authority*] **Oregon Department of Health** shall promptly redetermine
25 eligibility.

26 (4) If the Department **of Human Services** or the [*authority*] **Oregon Department of Health**
27 determines that a medical assistance recipient no longer qualifies for the medical assistance pro-
28 gram in which the recipient is enrolled, the Department **of Human Services** or the [*authority*]
29 **Oregon Department of Health** must determine eligibility for other medical assistance programs,
30 potential eligibility for the health insurance exchange, premium tax credits and cost-sharing re-
31 ductions before terminating the recipient's medical assistance.

32 (5) If a recipient of medical assistance administered by the Department **of Human Services**
33 appears to qualify for the exchange, premium tax credits or cost-sharing reductions, the department
34 shall promptly transfer the recipient's record to the [*authority*] **Oregon Department of Health** to
35 process those benefits.

36 **SECTION 275.** ORS 411.408 is amended to read:

37 411.408. In addition to the requirements in ORS 414.605 (3) and 414.712 (5), if the Oregon [*Health*
38 *Authority*] **Department of Health** or the Department of Human Services denies a claim for medical
39 assistance or fails to act with reasonable promptness on a claim for medical assistance, the person
40 making the claim may request a contested case hearing. The hearing shall be held at a time and
41 place and shall be conducted in accordance with rules adopted by the [*authority*] **Oregon Depart-**
42 **ment of Health** or the Department **of Human Services**, as appropriate.

43 **SECTION 276.** ORS 411.435 is amended to read:

44 411.435. The Oregon [*Health Authority*] **Department of Health** and the Department of Human
45 Services shall endeavor to develop agreements with local governments to facilitate the enrollment

1 of medical assistance program clients. Subject to the availability of funds therefor, the agreement
 2 shall be structured to allow flexibility by the state and local governments and may allow any of the
 3 following options for enrolling clients in medical assistance programs:

4 (1) Initial processing may be done at the local health department by employees of the local
 5 health department, with eligibility determination completed at the local office of the Department of
 6 Human Services or by the [authority] **Oregon Department of Health**;

7 (2) Initial processing and eligibility determination may be done at the local health department
 8 by employees of the local health department; or

9 (3) Application forms may be made available at the local health department with initial pro-
 10 cessing and eligibility determination done at the local office of the Department of Human Services
 11 or by the [authority] **Oregon Department of Health**.

12 **SECTION 277.** ORS 411.439 is amended to read:

13 411.439. (1) As used in this section:

14 (a) "Person with a serious mental illness" means a person who is diagnosed by a psychiatrist,
 15 a licensed clinical psychologist or a certified nonmedical examiner as having dementia,
 16 schizophrenia, bipolar disorder, major depression or other affective disorder or psychotic mental
 17 disorder other than a disorder caused primarily by substance abuse.

18 (b) "Recertification date" means the date 12 months after the date an application for medical
 19 assistance was last approved or renewed.

20 (c) "State hospital" has the meaning given that term in ORS 162.135.

21 (2) The Department of Human Services and the Oregon [Health Authority] **Department of**
 22 **Health** may continue the medical assistance of a person who is admitted to a state hospital until
 23 the earlier of:

24 (a) Twelve months after the person is admitted to the state hospital; or

25 (b) The person's recertification date.

26 (3) This section does not extend eligibility to an otherwise ineligible person or extend medical
 27 assistance to a person if matching federal funds are not available to pay for medical assistance.

28 (4) Subsection (2) of this section does not apply to a person with a serious mental illness residing
 29 in a state hospital who is under 22 years of age or who is 65 years of age or older.

30 (5) A person with a serious mental illness whose medical assistance is terminated while the
 31 person is admitted to a state hospital may apply for medical assistance up to 120 days prior to the
 32 expected date of the person's release from a state hospital. If the person is found to be eligible, the
 33 effective date of the person's medical assistance shall be the date of the person's release from the
 34 state hospital.

35 **SECTION 278.** ORS 411.447 is amended to read:

36 411.447. (1) As used in this section, "correctional facility" means:

37 (a) A local correctional facility as defined in ORS 169.005;

38 (b) A Department of Corrections institution as defined in ORS 421.005; or

39 (c) A youth correction facility as defined in ORS 162.135.

40 (2) The Department of Human Services or the Oregon [Health Authority] **Department of Health**
 41 shall suspend, instead of terminate, the medical assistance of a person who is residing in a
 42 correctional facility.

43 (3) Upon notification that a person described in subsection (2) of this section is not residing in
 44 a correctional facility or that the person is admitted to a medical institution outside of the
 45 correctional facility for a period of hospitalization, the Department **of Human Services** or the [au-

1 *thority*] **Oregon Department of Health** shall reinstate the person's medical assistance if the person
2 is eligible for medical assistance.

3 (4)(a) A designee of a correctional facility may apply for medical assistance on behalf of a per-
4 son, while the person is residing in the correctional facility, for the purpose of establishing eligi-
5 bility for medical assistance upon the person's release from the correctional facility or during a
6 period of hospitalization that will occur outside of the correctional facility.

7 (b) The designee may obtain information necessary to determine eligibility for medical assist-
8 ance, including the person's Social Security number or information that is not otherwise subject to
9 disclosure under ORS 411.320 or 413.175. The information obtained under this paragraph may be
10 used only for the purpose of assisting the person in applying for medical assistance and may not be
11 redisclosed without the person's authorization.

12 (c) If the person is determined eligible for medical assistance, the effective date of the person's
13 medical assistance shall be the date the person is released from the correctional facility or the date
14 the person begins the period of hospitalization outside of the correctional facility.

15 (5) This section does not extend eligibility to an otherwise ineligible person or extend medical
16 assistance to a person if matching federal funds are not available to pay for the medical assistance.

17 **SECTION 279.** ORS 411.463 is amended to read:

18 411.463. When giving information concerning medical assistance, the Oregon [*Health Authority*]
19 **Department of Health** and the Department of Human Services shall make available to applicants
20 or recipients materials which include at least a listing of all the healing arts licensed in this state.

21 **SECTION 280.** ORS 411.593 is amended to read:

22 411.593. (1) In connection with any public assistance investigation or hearing, the Director of
23 Human Services, the Director of the Oregon [*Health Authority*] **Department of Health** or any ex-
24 aminer, referee or other officer duly appointed to conduct the investigation or hearing may by
25 subpoena compel the attendance and testimony of witnesses and the production of books, accounts,
26 documents and other papers, and may administer oaths, take depositions and fix the fees and mileage
27 of witnesses.

28 (2) The Department of Human Services and the Oregon [*Health Authority*] **Department of**
29 **Health** shall provide for defraying the expenses of such investigations or hearings, which may be
30 held in any part of the state.

31 **SECTION 281.** ORS 411.610 is amended to read:

32 411.610. Any check or warrant issued by the Department of Human Services or the Oregon
33 [*Health Authority*] **Department of Health** to a recipient of public assistance or medical assistance
34 who subsequently dies may be indorsed in the name of the deceased by the surviving spouse or a
35 next of kin in the order described in ORS 293.490 (3); and payment may be made and the proceeds
36 used without any of the restrictions enumerated in ORS 293.495 (1).

37 **SECTION 282.** ORS 411.620 is amended to read:

38 411.620. (1) The Department of Human Services or the Oregon [*Health Authority*] **Department**
39 **of Health** may prosecute a civil suit or action against any person who has obtained, for personal
40 benefit or for the benefit of any other person, any amount or type of public assistance or medical
41 assistance, or has aided any other person to obtain public assistance or medical assistance, in vio-
42 lation of any provision of ORS 411.630 or in violation of ORS 411.640. In such suit or action, the
43 Department **of Human Services** or the [*authority*] **Oregon Department of Health** may recover the
44 amount or value of public assistance or medical assistance obtained in violation of ORS 411.630 or
45 in violation of ORS 411.640, with interest, together with costs and disbursements incurred in recov-

1 ering the public assistance or medical assistance.

2 (2) Except with respect to bona fide purchasers for value, the Department of **Human**
 3 **Services**, the [authority] **Oregon Department of Health**, the conservator for the recipient or the
 4 personal representative of the estate of a deceased recipient may prosecute a civil suit or action to
 5 set aside the transfer, gift or other disposition of any money or property made in violation of any
 6 provisions of ORS 411.630, 411.708 and 416.350 and the Department of **Human Services** or the [au-
 7 *thority*] **Oregon Department of Health** may recover out of such money or property, or otherwise,
 8 the amount or value of any public assistance or medical assistance obtained as a result of the vio-
 9 lation, with interest, together with costs and disbursements incurred in recovering the public as-
 10 sistance or medical assistance.

11 **SECTION 283.** ORS 411.630 is amended to read:

12 411.630. (1) A person may not knowingly obtain or attempt to obtain, for the benefit of the per-
 13 son or of another person, any public assistance or medical assistance to which the person or other
 14 person is not entitled under state law by means of:

15 (a) Any false representation or fraudulent device, or

16 (b) Failure to immediately notify the Department of Human Services or the Oregon [*Health Au-*
 17 *thority*] **Department of Health**, if required, of the receipt or possession of property or income, or
 18 of any other change of circumstances, which directly affects the eligibility for, or the amount of, the
 19 assistance.

20 (2) A person may not transfer, conceal or dispose of any money or property with the intent:

21 (a) To enable the person to meet or appear to meet any requirement of eligibility prescribed by
 22 state law or by rule of the Department of **Human Services** or the [authority] **Oregon Department**
 23 **of Health** for any type of public assistance or medical assistance; or

24 (b) Except as to a conveyance by the person to create a tenancy by the entirety, to hinder or
 25 prevent the Department of **Human Services** or the [authority] **Oregon Department of Health** from
 26 recovering any part of any claim it may have against the person or the estate of the person.

27 (3) A person may not knowingly aid or abet any person to violate any provision of this section.

28 (4) A person may not receive, possess or conceal any money or property of an applicant for or
 29 recipient of any type of public assistance or medical assistance with the intent to enable the appli-
 30 cant or recipient to meet or appear to meet any requirement of eligibility referred to in subsection
 31 (2)(a) of this section or, except as to a conveyance by the applicant or recipient to create a tenancy
 32 by the entirety, with the intent to hinder or prevent the Department of **Human Services** or the
 33 [authority] **Oregon Department of Health** from recovering any part of any claim it may have
 34 against the applicant or recipient or the estate of the applicant or recipient.

35 **SECTION 284.** ORS 411.632 is amended to read:

36 411.632. If it reasonably appears that a recipient of public assistance or a recipient of medical
 37 assistance has assets in excess of those allowed to a recipient of such assistance under applicable
 38 federal and state statutes, rules and regulations, and it reasonably appears that such assets may be
 39 transferred, removed, secreted or otherwise disposed, then the Department of Human Services or the
 40 Oregon [*Health Authority*] **Department of Health** may seek appropriate relief under ORCP 83 and
 41 84 or any other provision of law, but only to the extent of the liability. The state shall not be re-
 42 quired to post a bond in seeking the relief.

43 **SECTION 285.** ORS 411.635 is amended to read:

44 411.635. (1)(a) Medical assistance improperly disbursed as a result of recipient conduct that is
 45 not in violation of ORS 411.630 may be recouped pursuant to ORS 293.250 by the Oregon [*Health*

1 *Authority*] **Department of Health** or the Department of Human Services.

2 (b) Public assistance improperly disbursed as a result of recipient conduct that is not in vio-
3 lation of ORS 411.630 may be recouped pursuant to ORS 293.250 by the Department of **Human**
4 **Services**.

5 (2) The Department of **Human Services** and the [*authority*] **Oregon Department of Health**
6 may also recoup public assistance and medical assistance improperly disbursed from earnings that
7 the state disregards pursuant to ORS 411.083 and 412.007 as follows:

8 (a) The Department of **Human Services** and the [*authority*] **Oregon Department of Health**
9 shall notify the recipient that the recipient may elect to limit the recoupment monthly to an amount
10 equal to one-half the amount of disregarded earnings by granting the Department of **Human Ser-**
11 **vices** or the [*authority*] **Oregon Department of Health** a confession of judgment for the amount
12 of the overpayment.

13 (b) If the recipient does not elect to grant the confession of judgment within 30 days the De-
14 partment of **Human Services** or the [*authority*] **Oregon Department of Health** may recoup the
15 overpayment from the entire amount of disregarded earnings. The recipient may at any time there-
16 after elect to limit the monthly recoupment to one-half the disregarded earnings by entering into a
17 confession of judgment.

18 (3) The Department of **Human Services** and the [*authority*] **Oregon Department of Health**
19 shall not execute on a confession of judgment until the recipient is no longer receiving public as-
20 sistance or medical assistance and has either refused to agree to or has defaulted on a reasonable
21 plan to satisfy the judgment.

22 (4) This section does not prohibit the Department of **Human Services** or the [*authority*] **Oregon**
23 **Department of Health** from adopting rules to exempt from recoupment any portion of disregarded
24 earnings.

25 **SECTION 286.** ORS 411.640 is amended to read:

26 411.640. A person has received an overpayment of public assistance or medical assistance, for
27 purposes of ORS 411.703, if the person has:

28 (1) Received, either for the benefit of the person or for the benefit of any other person, any
29 amount or type of public assistance or medical assistance to which the person or the other person
30 is not entitled under state law;

31 (2) Spent lawfully received public assistance or medical assistance that was designated by the
32 Department of Human Services or the Oregon [*Health Authority*] **Department of Health** for a spe-
33 cific purpose on an expense not approved by the Department of **Human Services** or the
34 [*authority*] **Oregon Department of Health** and not considered a basic requirement under ORS
35 411.070 (2)(a) or a health service;

36 (3) Misappropriated public assistance or medical assistance by cashing and retaining the pro-
37 ceeds of a check on which the person is not the payee and the check has not been lawfully indorsed
38 or assigned to the person; or

39 (4) Failed to reimburse the Department of **Human Services** or the [*authority*] **Oregon Depart-**
40 **ment of Health**, when required by law, for public assistance or medical assistance furnished for a
41 need for which the person is compensated by another source.

42 **SECTION 287.** ORS 411.675 is amended to read:

43 411.675. A person may not obtain or attempt to obtain, for personal benefit or the benefit of
44 another person, a payment for furnishing any need to or for the benefit of a public assistance or
45 medical assistance recipient by knowingly:

1 (1) Submitting or causing to be submitted to the Department of Human Services or the Oregon
2 [*Health Authority*] **Department of Health** a false claim for payment;

3 (2) Submitting or causing to be submitted to the Department of **Human Services** or the [*au-*
4 *thority*] **Oregon Department of Health** a claim for payment that already has been submitted for
5 payment unless the claim is clearly labeled as a duplicate;

6 (3) Submitting or causing to be submitted to the Department of **Human Services** or the [*au-*
7 *thority*] **Oregon Department of Health** a claim for payment that is a claim that already has been
8 paid by any source unless clearly labeled as already paid; or

9 (4) Accepting a payment from the Department of **Human Services** or the [*authority*] **Oregon**
10 **Department of Health** for the costs of items or services that have not been provided to or for the
11 benefit of a public assistance or medical assistance recipient.

12 **SECTION 288.** ORS 411.690 is amended to read:

13 411.690. (1) A person who accepts from the Department of Human Services or the Oregon
14 [*Health Authority*] **Department of Health** a payment for furnishing any need to or for the benefit
15 of a public assistance or medical assistance recipient is liable to refund or credit the amount of the
16 payment to the Department of **Human Services** or the [*authority*] **Oregon Department of Health**
17 if the person has obtained or subsequently obtains from the recipient or from any source any addi-
18 tional payment for furnishing the same need. However, the liability of the person is limited to the
19 lesser of the following amounts:

20 (a) The amount of the payment accepted from the Department of **Human Services** or the [*au-*
21 *thority*] **Oregon Department of Health**; or

22 (b) The amount by which the aggregate sum of all payments accepted or received by the person
23 exceeds the maximum amount payable for the need under rules adopted by the Department of **Hu-**
24 **man Services** or the [*authority*] **Oregon Department of Health**.

25 (2) Notwithstanding subsection (1) of this section, a person who, after having been afforded an
26 opportunity for a contested case hearing pursuant to ORS chapter 183, is found to have violated
27 ORS 411.675 is liable to the Department of **Human Services** or the [*authority*] **Oregon Department**
28 **of Health** for treble the amount of the payment received as a result of the violation.

29 (3) The Department of **Human Services** and the [*authority*] **Oregon Department of Health**
30 may prosecute civil actions to recover moneys claimed due under this section and for costs and
31 disbursements incurred in such actions.

32 **SECTION 289.** ORS 411.694 is amended to read:

33 411.694. (1) When an individual receives public assistance as defined in ORS 411.010 or medical
34 assistance as defined in ORS 414.025 and the individual is the holder of record title to real property
35 or the purchaser under a land sale contract, the Department of Human Services or the Oregon
36 [*Health Authority*] **Department of Health** may present to the county clerk for recordation in the
37 deed and mortgage records of a county a request for notice of transfer or encumbrance of the real
38 property.

39 (2) A title insurance company or agent shall provide the state agency that filed the request with
40 a notice of transfer or encumbrance as required by ORS 93.268.

41 (3) If the [*department or the authority*] **state agency** has filed a request for notice of transfer
42 or encumbrance for recording in the deed and mortgage records, the [*department or the authority*]
43 **state agency** shall file with the county clerk a termination of request for notice of transfer or
44 encumbrance when it is no longer necessary or appropriate to monitor transfers or encumbrances
45 related to the real property.

1 (4) The Department of **Human Services** shall adopt by rule a form of the request for notice of
 2 transfer or encumbrance, the notice of transfer or encumbrance and the termination of request for
 3 notice of transfer or encumbrance that, at a minimum:

4 (a) Contains the name of the public assistance or medical assistance recipient, a case identifier
 5 or other appropriate information that links the individual who is the holder of record title to real
 6 property or the purchaser under a land sale contract to the individual's public assistance or medical
 7 assistance records;

8 (b) Contains the legal description of the real property;

9 (c) Contains a mailing address for the *[department or the authority]* **state agency** to receive the
 10 notice of transfer or encumbrance; and

11 (d) Complies with the requirements for recordation in ORS 205.232 and 205.234 for those forms
 12 intended to be recorded.

13 (5) The *[authority]* **Oregon Department of Health** shall use the forms adopted by the Depart-
 14 ment of **Human Services** under subsection (4) of this section and may designate the Department
 15 of **Human Services** to receive, on behalf of the *[authority]* **Oregon Department of Health**, a notice
 16 of transfer or encumbrance provided in accordance with subsection (2) of this section.

17 (6) The *[department or the authority]* **state agency** shall pay the recordation fee required by the
 18 county clerk under ORS 205.320.

19 (7) The request for notice of transfer or encumbrance described in this section does not affect
 20 title to real property and is not a lien on, encumbrance of or other interest in the real property.

21 **SECTION 290.** ORS 411.703 is amended to read:

22 411.703. (1) If an overpayment of public assistance, including supplemental nutrition assistance
 23 issued under ORS 411.806 to 411.845, or medical assistance is not repaid within 30 days of the pay-
 24 ment due date, after an individual has been afforded an opportunity for a contested case hearing
 25 under ORS chapter 183 relating to the overpayment, the Department of Human Services or the
 26 Oregon *[Health Authority]* **Department of Health** may:

27 (a) Issue a warrant that meets the requirements of ORS 205.125 for the overpayment; and

28 (b) Present a warrant issued under this section for recordation in the County Clerk Lien Record
 29 of the county clerk of any county in the state.

30 (2) The warrant must include the principal amount of the overpayment, interest accumulated
 31 pursuant to ORS 82.010 or other applicable law, costs associated with recording, indexing and
 32 serving the warrant and costs associated with an instrument evidencing satisfaction or release of
 33 the warrant.

34 (3) The Department of **Human Services** or the *[authority]* **Oregon Department of Health** shall
 35 mail a copy of the warrant to the debtor at the last known address of the debtor.

36 (4) Upon receipt of the warrant for recordation, the county clerk shall record the warrant in the
 37 manner provided in ORS 205.125.

38 (5) Upon issuance of the warrant, the Department of **Human Services** or the *[authority]* **Oregon**
 39 **Department of Health** may issue a notice of garnishment in accordance with ORS 18.854.

40 (6) Upon recording, the warrant:

41 (a) Has the effect described in ORS 205.125 and 205.126; and

42 (b) May be enforced as provided in ORS 18.854 and 205.126.

43 **SECTION 291.** ORS 411.813 is amended to read:

44 411.813. (1) The Oregon *[Health Authority]* **Department of Health**, in partnership with the State
 45 Department of Agriculture, is authorized to operate a Farm Direct Nutrition Program to provide

1 supplemental assistance to participants in the Women, Infants and Children Program established by
2 ORS 413.500 for the purchase of fresh, unprocessed, locally grown fruits, vegetables and herbs from
3 farmers' markets or roadside stands.

4 (2) The [authority] **Oregon Department of Health**, in partnership with the **State Department**
5 **of Agriculture**, is authorized to operate a Senior Farm Direct Nutrition Program to provide sup-
6 plemental assistance to individuals who are 60 years of age or older and who receive medical as-
7 sistance under ORS chapter 414 or supplemental nutrition assistance under ORS 411.806 to 411.845,
8 to purchase fresh, unprocessed, locally grown fruits, vegetables and herbs from farmers' markets or
9 roadside stands.

10 (3) The [authority] **Oregon Department of Health** shall adopt by rule procedures and eligibility
11 criteria for the Farm Direct Nutrition Program and the Senior Farm Direct Nutrition Program to
12 permit the state to receive grants from the United States Department of Agriculture through the
13 WIC Farmers' Market Nutrition Program described in 7 C.F.R. part 248 and the Senior Farmers'
14 Market Nutrition Program described in 7 C.F.R. part 249.

15 **SECTION 292.** ORS 411.965 is amended to read:

16 411.965. The Legislative Assembly finds:

17 (1) That many persons eligible for public assistance or medical assistance programs, especially
18 those with the lowest incomes and the greatest need for assistance, are precluded from receiving
19 benefits because of program inaccessibility;

20 (2) That program inaccessibility stems from barriers that arise in learning of the availability of
21 benefits, in applying for benefits and in maintaining eligibility once eligibility is established;

22 (3) That a gap often exists between the reading and literacy skills possessed by potential appli-
23 cants to programs and the skills demanded for completion of agency application forms and proce-
24 dures. Most persons eligible for public assistance and medical assistance programs read at below the
25 eighth-grade level and most public assistance and medical assistance forms require more than an
26 eighth-grade reading level;

27 (4) That simplifying program rules and rewriting forms and brochures to close the "literacy
28 gap" would contribute to decreasing the program error rate and saving program costs; and

29 (5) That the Department of Human Services and the Oregon [Health Authority] **Department of**
30 **Health** would better serve the people of the State of Oregon by making public assistance and med-
31 ical assistance programs accessible to those low-income persons legally entitled to assistance.

32 **SECTION 293.** ORS 411.967 is amended to read:

33 411.967. Every form, notice, brochure or other written material of the Department of Human
34 Services or the Oregon [Health Authority] **Department of Health** intended for use by persons in-
35 quiring about, applicants for or recipients of public assistance or medical assistance shall be written
36 in plain language. A form, notice, or brochure is written in plain language if it substantially com-
37 plies with all of the following tests:

38 (1) Uses short sentences and paragraphs;

39 (2) Uses everyday words readable at an eighth-grade level of reading ability;

40 (3) Uses simple and active verb forms;

41 (4) Uses type of readable size;

42 (5) Uses uppercase and lowercase letters;

43 (6) Heads sections and other subdivisions with captions which fairly reflect the content of the
44 section or subdivision and which are in boldfaced type or otherwise stand out significantly from the
45 text;

1 (7) Uses layout and spacing which separate the paragraphs and sections of the document from
 2 each other and from the borders of the paper;

3 (8) Is written and organized in a clear and coherent manner;

4 (9) Is designed to facilitate ease of reading and comprehension; and

5 (10) Is readable at the sixth-grade level of reading ability except for vocabulary referred to in
 6 subsection (2) of this section.

7 **SECTION 294.** ORS 411.969 is amended to read:

8 411.969. (1) The Department of Human Services and the Oregon [*Health Authority*] **Department**
 9 **of Health** shall publish, make available and publicize to all persons inquiring about, applicants for
 10 and recipients of public assistance or medical assistance the following informational materials:

11 (a) Brochures enumerating and explaining the public assistance and medical assistance programs
 12 administered by the Department **of Human Services** and the [*authority*] **Oregon Department of**
 13 **Health**; and

14 (b) Publications explaining how public assistance and medical assistance programs function, in-
 15 cluding but not limited to how grants are calculated, how overpayments are calculated, how child
 16 support is handled, the effect of earnings on grants and benefits, hearing rights and the right of the
 17 recipient to see the recipient's file.

18 (2) All notices of overpayments shall show the calculation of the overpayment and contain an
 19 explanation of the calculation.

20 **SECTION 295.** ORS 411.970 is amended to read:

21 411.970. (1) As used in this section:

22 (a) "Non-English-speaking household" means a household that does not have an adult member
 23 who is fluent in English.

24 (b) "Written materials" includes all forms, notices and other documents that the Department of
 25 Human Services or the Oregon [*Health Authority*] **Department of Health** provides to any English-
 26 speaking client for the establishment, maintenance and explanation of eligibility for public assist-
 27 ance or medical assistance.

28 (2) If a Department of Human Services local office has a caseload that consists of 35 or more
 29 non-English-speaking households that share the same language, the department shall provide at the
 30 local office written materials in that language and access to a bilingual assistance worker or
 31 caseworker who is fluent in both that language and English.

32 (3) The Personnel Division of the Oregon Department of Administrative Services shall recruit
 33 qualified individuals and shall maintain lists of such individuals for purposes of meeting the re-
 34 quirements of this section.

35 **SECTION 296.** ORS 413.011 is amended to read:

36 413.011. (1) The duties of the Oregon Health Policy Board are to:

37 (a) Be the policy-making and oversight body for the Oregon [*Health Authority*] **Department of**
 38 **Health** established in ORS 413.032 and all [*of the authority's*] departmental divisions.

39 (b) Develop and submit a plan to the Legislative Assembly to provide and fund access to af-
 40 fordable, quality health care for all Oregonians.

41 (c) Develop a program to provide health insurance premium assistance to all low and moderate
 42 income individuals who are legal residents of Oregon.

43 (d) Publish health outcome and quality measure data collected by the Oregon [*Health*
 44 *Authority*] **Department of Health** at aggregate levels that do not disclose information otherwise
 45 protected by law. The information published must report, for each coordinated care organization and

1 each health benefit plan sold through the health insurance exchange or offered by the Oregon Ed-
2 ucators Benefit Board or the Public Employees' Benefit Board:

3 (A) Quality measures;

4 (B) Costs;

5 (C) Health outcomes; and

6 (D) Other information that is necessary for members of the public to evaluate the value of health
7 services delivered by each coordinated care organization and by each health benefit plan.

8 (e) Establish evidence-based clinical standards and practice guidelines that may be used by
9 providers.

10 (f) Approve and monitor community-centered health initiatives described in ORS 413.032 (1)(h)
11 that are consistent with public health goals, strategies, programs and performance standards
12 adopted by the Oregon Health Policy Board to improve the health of all Oregonians, and to regu-
13 larly report to the Legislative Assembly on the accomplishments and needed changes to the initi-
14 atives.

15 (g) Establish cost containment mechanisms to reduce health care costs.

16 (h) Ensure that Oregon's health care workforce is sufficient in numbers and training to meet the
17 demand that will be created by the expansion in health coverage, health care system transforma-
18 tions, an increasingly diverse population and an aging workforce.

19 (i) Work with the Oregon congressional delegation to advance the adoption of changes in federal
20 law or policy to promote Oregon's comprehensive health reform plan.

21 (j) Establish a health benefit package in accordance with ORS 741.340 to be used as the baseline
22 for all health benefit plans offered through the health insurance exchange.

23 (k) Investigate and report annually to the Legislative Assembly on the feasibility and advis-
24 ability of future changes to the health insurance market in Oregon, including but not limited to the
25 following:

26 (A) A requirement for every resident to have health insurance coverage.

27 (B) A payroll tax as a means to encourage employers to continue providing health insurance to
28 their employees.

29 (L) Meet cost-containment goals by structuring reimbursement rates to reward comprehensive
30 management of diseases, quality outcomes and the efficient use of resources by promoting cost-
31 effective procedures, services and programs including, without limitation, preventive health, dental
32 and primary care services, web-based office visits, telephone consultations and telemedicine consul-
33 tations.

34 (m) Oversee the expenditure of moneys from the Health Care Provider Incentive Fund to support
35 grants to primary care providers and rural health practitioners, to increase the number of primary
36 care educators and to support efforts to create and develop career ladder opportunities.

37 (n) Work with the Public Health Benefit Purchasers Committee, administrators of the medical
38 assistance program and the Department of Corrections to identify uniform contracting standards for
39 health benefit plans that achieve maximum quality and cost outcomes and align the contracting
40 standards for all state programs to the greatest extent practicable.

41 (o) Work with the Health Information Technology Oversight Council to foster health information
42 technology systems and practices that promote the Oregon Integrated and Coordinated Health Care
43 Delivery System established by ORS 414.570 and align health information technology systems and
44 practices across this state.

45 (2) The Oregon Health Policy Board is authorized to:

1 (a) Subject to the approval of the Governor, organize and reorganize the [authority] **Oregon**
2 **Department of Health** as the board considers necessary to properly conduct the work of the [au-
3 *thority*] **department**.

4 (b) Submit directly to the Legislative Counsel, no later than October 1 of each even-numbered
5 year, requests for measures necessary to provide statutory authorization to carry out any of the
6 board's duties or to implement any of the board's recommendations. The measures may be filed prior
7 to the beginning of the legislative session in accordance with the rules of the House of Represen-
8 tatives and the Senate.

9 (3) If the board or the [authority] **department** is unable to perform, in whole or in part, any of
10 the duties described in ORS 413.006 to 413.042 and 741.340 without federal approval, the [authority]
11 **department** is authorized to request, in accordance with ORS 413.072, waivers or other approval
12 necessary to perform those duties. The [authority] **department** shall implement any portions of those
13 duties not requiring legislative authority or federal approval, to the extent practicable.

14 (4) The enumeration of duties, functions and powers in this section is not intended to be exclu-
15 sive nor to limit the duties, functions and powers imposed on the board by ORS 413.006 to 413.042
16 and 741.340 and by other statutes.

17 (5) The board shall consult with the Department of Consumer and Business Services in com-
18 pleting the tasks set forth in subsection (1)(j) and (k)(A) of this section.

19 **SECTION 297.** ORS 413.017 is amended to read:

20 413.017. (1) The Oregon Health Policy Board shall establish the committees described in sub-
21 sections (2) to (5) of this section.

22 (2)(a) The Public Health Benefit Purchasers Committee shall include individuals who purchase
23 health care for the following:

24 (A) The Public Employees' Benefit Board.

25 (B) The Oregon Educators Benefit Board.

26 (C) Trustees of the Public Employees Retirement System.

27 (D) A city government.

28 (E) A county government.

29 (F) A special district.

30 (G) Any private nonprofit organization that receives the majority of its funding from the state
31 and requests to participate on the committee.

32 (b) The Public Health Benefit Purchasers Committee shall:

33 (A) Identify and make specific recommendations to achieve uniformity across all public health
34 benefit plan designs based on the best available clinical evidence, recognized best practices for
35 health promotion and disease management, demonstrated cost-effectiveness and shared demographics
36 among the enrollees within the pools covered by the benefit plans.

37 (B) Develop an action plan for ongoing collaboration to implement the benefit design alignment
38 described in subparagraph (A) of this paragraph and shall leverage purchasing to achieve benefit
39 uniformity if practicable.

40 (C) Continuously review and report to the Oregon Health Policy Board on the committee's
41 progress in aligning benefits while minimizing the cost shift to individual purchasers of insurance
42 without shifting costs to the private sector or the health insurance exchange.

43 (c) The Oregon Health Policy Board shall work with the Public Health Benefit Purchasers
44 Committee to identify uniform provisions for state and local public contracts for health benefit plans
45 that achieve maximum quality and cost outcomes. The board shall collaborate with the committee

1 to develop steps to implement joint contract provisions. The committee shall identify a schedule for
 2 the implementation of contract changes. The process for implementation of joint contract provisions
 3 must include a review process to protect against unintended cost shifts to enrollees or agencies.

4 (3)(a) The Health Care Workforce Committee shall include individuals who have the collective
 5 expertise, knowledge and experience in a broad range of health professions, health care education
 6 and health care workforce development initiatives.

7 (b) The Health Care Workforce Committee shall coordinate efforts to recruit and educate health
 8 care professionals and retain a quality workforce to meet the demand that will be created by the
 9 expansion in health care coverage, system transformations and an increasingly diverse population.

10 (c) The Health Care Workforce Committee shall conduct an inventory of all grants and other
 11 state resources available for addressing the need to expand the health care workforce to meet the
 12 needs of Oregonians for health care.

13 (4)(a) The Health Plan Quality Metrics Committee shall include the following members appointed
 14 by the Oregon Health Policy Board:

15 (A) An individual representing the Oregon *[Health Authority]* **Department of Health;**

16 (B) An individual representing the Oregon Educators Benefit Board;

17 (C) An individual representing the Public Employees' Benefit Board;

18 (D) An individual representing the Department of Consumer and Business Services;

19 (E) Two health care providers;

20 (F) One individual representing hospitals;

21 (G) One individual representing insurers, large employers or multiple employer welfare ar-
 22 rangements;

23 (H) Two individuals representing health care consumers;

24 (I) Two individuals representing coordinated care organizations;

25 (J) One individual with expertise in health care research;

26 (K) One individual with expertise in health care quality measures; and

27 (L) One individual with expertise in mental health and addiction services.

28 (b) The committee shall work collaboratively with the Oregon Educators Benefit Board, the
 29 Public Employees' Benefit Board, the *[authority]* **Oregon Department of Health** and the Depart-
 30 ment **of Consumer and Business Services** to adopt health outcome and quality measures that are
 31 focused on specific goals and provide value to the state, employers, insurers, health care providers
 32 and consumers. The committee shall be the single body to align health outcome and quality meas-
 33 ures used in this state with the requirements of health care data reporting to ensure that the
 34 measures and requirements are coordinated, evidence-based and focused on a long term statewide
 35 vision.

36 (c) The committee shall use a public process that includes an opportunity for public comment
 37 to identify health outcome and quality measures that may be applied to services provided by coor-
 38 dinated care organizations or paid for by health benefit plans sold through the health insurance
 39 exchange or offered by the Oregon Educators Benefit Board or the Public Employees' Benefit Board.
 40 The *[authority, the department,]* **Oregon Department of Health and the Department of Consumer**
 41 **and Business Services**, the Oregon Educators Benefit Board and the Public Employees' Benefit
 42 Board are not required to adopt all of the health outcome and quality measures identified by the
 43 committee but may not adopt any health outcome and quality measures that are different from the
 44 measures identified by the committee. The measures must take into account the recommendations
 45 of the metrics and scoring subcommittee created in ORS 414.638 and the differences in the popu-

1 lations served by coordinated care organizations and by commercial insurers.

2 (d) In identifying health outcome and quality measures, the committee shall prioritize measures
3 that:

4 (A) Utilize existing state and national health outcome and quality measures, including measures
5 adopted by the Centers for Medicare and Medicaid Services, that have been adopted or endorsed
6 by other state or national organizations and have a relevant state or national benchmark;

7 (B) Given the context in which each measure is applied, are not prone to random variations
8 based on the size of the denominator;

9 (C) Utilize existing data systems, to the extent practicable, for reporting the measures to mini-
10 mize redundant reporting and undue burden on the state, health benefit plans and health care pro-
11 viders;

12 (D) Can be meaningfully adopted for a minimum of three years;

13 (E) Use a common format in the collection of the data and facilitate the public reporting of the
14 data; and

15 (F) Can be reported in a timely manner and without significant delay so that the most current
16 and actionable data is available.

17 (e) The committee shall evaluate on a regular and ongoing basis the health outcome and quality
18 measures adopted under this section.

19 (f) The committee may convene subcommittees to focus on gaining expertise in particular areas
20 such as data collection, health care research and mental health and substance use disorders in order
21 to aid the committee in the development of health outcome and quality measures. A subcommittee
22 may include stakeholders and staff from the [authority] **Oregon Department of Health**, the De-
23 partment of Human Services, the Department of Consumer and Business Services, the Early Learn-
24 ing Council or any other agency staff with the appropriate expertise in the issues addressed by the
25 subcommittee.

26 (g) This subsection does not prevent the [authority] **Oregon Department of Health**, the De-
27 partment of Consumer and Business Services, commercial insurers, the Public Employees' Benefit
28 Board or the Oregon Educators Benefit Board from establishing programs that provide financial in-
29 centives to providers for meeting specific health outcome and quality measures adopted by the
30 committee.

31 (5)(a) The Behavioral Health Committee shall include the following members appointed by the
32 Director of the Oregon [Health Authority] **Department of Health**:

33 (A) The chairperson of the Health Plan Quality Metrics Committee;

34 (B) The chairperson of the committee appointed by the board to address health equity, if any;

35 (C) A behavioral health director for a coordinated care organization;

36 (D) A representative of a community mental health program;

37 (E) An individual with expertise in data analysis;

38 (F) A member of the Consumer Advisory Council, established under ORS 430.073, that represents
39 adults with mental illness;

40 (G) A representative of the System of Care Advisory Council established in ORS 418.978;

41 (H) A member of the Oversight and Accountability Council, described in ORS 430.389, who re-
42 presents adults with addictions or co-occurring conditions;

43 (I) One member representing a system of care, as defined in ORS 418.976;

44 (J) One consumer representative;

45 (K) One representative of a tribal government;

1 (L) One representative of an organization that advocates on behalf of individuals with intellec-
2 tual or developmental disabilities;

3 (M) One representative of providers of behavioral health services;

4 (N) The director of the division of the [authority] **Oregon Department of Health** responsible
5 for behavioral health services, as a nonvoting member;

6 (O) The Director of the Alcohol and Drug Policy Commission appointed under ORS 430.220, as
7 a nonvoting member;

8 (P) The [authority's] Medicaid director **of the Oregon Department of Health**, as a nonvoting
9 member;

10 (Q) A representative of the Department of Human Services, as a nonvoting member; and

11 (R) Any other member that the director deems appropriate.

12 (b) The board may modify the membership of the committee as needed.

13 (c) The division of the [authority] **Oregon Department of Health** responsible for behavioral
14 health services and the director of the division shall staff the committee.

15 (d) The committee, in collaboration with the Health Plan Quality Metrics Committee, as needed,
16 shall:

17 (A) Establish quality metrics for behavioral health services provided by coordinated care or-
18 ganizations, health care providers, counties and other government entities; and

19 (B) Establish incentives to improve the quality of behavioral health services.

20 (e) The quality metrics and incentives shall be designed to:

21 (A) Improve timely access to behavioral health care;

22 (B) Reduce hospitalizations;

23 (C) Reduce overdoses;

24 (D) Improve the integration of physical and behavioral health care; and

25 (E) Ensure individuals are supported in the least restrictive environment that meets their be-
26 havioral health needs.

27 (6) Members of the committees described in subsections (2) to (5) of this section who are not
28 members of the Oregon Health Policy Board are not entitled to compensation but shall be reim-
29 bursed from funds available to the board for actual and necessary travel and other expenses in-
30 curred by them by their attendance at committee meetings, in the manner and amount provided in
31 ORS 292.495.

32 **SECTION 298.** ORS 413.034 is amended to read:

33 413.034. Subject to any applicable provisions of ORS chapter 240, the Director of the Oregon
34 [Health Authority] **Department of Health** shall appoint all subordinate officers and employees of
35 the Oregon [Health Authority] **Department of Health**, prescribe their duties and fix their compen-
36 sation.

37 **SECTION 299.** ORS 413.036 is amended to read:

38 413.036. (1) As used in this section:

39 (a) "Care" means treatment, education, training, instruction, placement services, recreational
40 opportunities, support services or case management, or the supervision of such services, for clients
41 of the Oregon [Health Authority] **Department of Health**.

42 (b) "Subject individual" means a person who is:

43 (A) Employed or who seeks to be employed by the [authority] **department** to provide care;

44 (B) A volunteer or who seeks to be a volunteer to provide care on behalf of the [authority] **de-**
45 **partment**; or

1 (C) Providing care or who seeks to provide care on behalf of the [authority] **department**.

2 (2) The Oregon [Health Authority] **Department of Health** may use abuse and neglect reports,
 3 as defined in ORS 409.025, for the purpose of providing protective services or screening subject in-
 4 dividuals.

5 (3) The [authority] **department** shall adopt rules to carry out the provisions of subsection (2)
 6 of this section.

7 (4) The rules adopted in subsection (3) of this section may include:

8 (a) Notice and opportunity for due process for an employee of the [authority] **department** who
 9 is found to be unfit; and

10 (b) Notice and opportunity for hearing in accordance with ORS chapter 183 for a subject indi-
 11 vidual described in subsection (1)(b)(C) of this section.

12 (5) Reports used by the [authority] **department** under this section are confidential and may not
 13 be disclosed for any purpose other than in accordance with this section or any other provision of
 14 law.

15 **SECTION 300.** ORS 413.037 is amended to read:

16 413.037. (1) The Director of the Oregon [Health Authority] **Department of Health**, each deputy
 17 director and authorized representatives of the director may administer oaths, take depositions and
 18 issue subpoenas to compel the attendance of witnesses and the production of documents or other
 19 written information necessary to carry out the provisions of ORS 413.006 to 413.042, 415.012 to
 20 415.430, 415.501 and 741.340.

21 (2) If any person fails to comply with a subpoena issued under this section or refuses to testify
 22 on matters on which the person lawfully may be interrogated, the director, deputy director or au-
 23 thorized representative may follow the procedure set out in ORS 183.440 to compel obedience.

24 **SECTION 301.** ORS 413.038 is amended to read:

25 413.038. (1) The Oregon [Health Authority] **Department of Health** may serve a notice described
 26 in ORS 183.415 by regular mail or, if requested by the recipient of the notice, by electronic mail.
 27 The legal presumption described in ORS 40.135 (1)(q) does not apply to a notice that is served by
 28 regular mail under this section.

29 (2) Except as provided in subsection (3) of this section, a contested case notice served in ac-
 30 cordance with subsection (1) of this section that complies with ORS 183.415 but for service by reg-
 31 ular or electronic mail becomes a final order against a party and is not subject to ORS 183.470 (2),
 32 upon the earlier of the following:

33 (a) If the party fails to request a hearing, the day after the date prescribed in the notice as the
 34 deadline for requesting a hearing.

35 (b) The date the [authority] **department** or the Office of Administrative Hearings mails an order
 36 dismissing a hearing request because:

37 (A) The party withdraws the request for hearing; or

38 (B) Neither the party nor the party's representative appears on the date and at the time set for
 39 hearing.

40 (3) The [authority] **department** shall prescribe by rule a period of not less than 60 days after
 41 a notice becomes a final order under subsection (2) of this section within which a party may request
 42 a hearing under this subsection. If a party requests a hearing within the period prescribed under
 43 this subsection, the [authority] **department** shall do one of the following:

44 (a) If the [authority] **department** finds that the party did not receive the written notice and did
 45 not have actual knowledge of the notice, refer the request for hearing to the Office of Administra-

1 tive Hearings for a contested case proceeding on the merits of the [authority's] **department's** in-
2 tended action described in the notice.

3 (b) Refer the request for hearing to the Office of Administrative Hearings for a contested case
4 proceeding to determine whether the party received the written notice or had actual knowledge of
5 the notice. The [authority] **department** must show that the party had actual knowledge of the notice
6 or that the [authority] **department** mailed the notice to the party's correct address or sent an
7 electronic notice to the party's correct electronic mail address.

8 (4) If a party informs the [authority] **department** that the party did not receive a notice served
9 by regular or electronic mail in accordance with subsection (1) of this section, the [authority] **de-**
10 **partment** shall advise the party of the right to request a hearing under subsection (3) of this sec-
11 tion.

12 **SECTION 302.** ORS 413.041 is amended to read:

13 413.041. Notwithstanding ORS 8.690, 9.160, 9.320 or 203.145 or ORS chapter 180 or other law, in
14 any contested case proceeding before the Oregon [Health Authority] **Department of Health**, a party
15 that is not a natural person may be represented by an attorney or by any officer or authorized agent
16 or employee of the party.

17 **SECTION 303.** ORS 413.042 is amended to read:

18 413.042. In accordance with applicable provisions of ORS chapter 183, the Director of the
19 Oregon [Health Authority] **Department of Health** may adopt rules necessary for the administration
20 of the laws that the Oregon [Health Authority] **Department of Health** is charged with administer-
21 ing.

22 **SECTION 304.** ORS 413.046 is amended to read:

23 413.046. (1) All applicants for and recipients of medical assistance, as defined in ORS 414.025,
24 shall be treated in a courteous, fair and dignified manner by Oregon [Health Authority] **Department**
25 **of Health** employees.

26 (2) Any applicant or recipient who alleges discourteous, unfair or undignified treatment by [an
27 authority] **a department** employee or alleges that [an authority] **a department** employee has pro-
28 vided incorrect or inadequate information regarding medical assistance programs may file a grievance
29 with the [authority] **department**. The [authority] **department** shall publicize the grievance
30 system in each office of the [authority] **department** that is open to the public.

31 (3) The grievance shall be discussed first with the supervisor of the employee against whom the
32 grievance is filed. If the grievance is not resolved, the applicant or recipient may discuss the
33 grievance with the manager of the office.

34 (4) The [authority] **department** shall compile a monthly report that summarizes each grievance
35 filed against [an authority] **a department** employee and the action taken. The report shall identify
36 each grievance by office and indicate the number of grievances filed against each [authority] **de-**
37 **partment** employee. The report shall protect the anonymity of [authority] **department** employees.
38 The report shall be provided to the Medicaid Advisory Committee established under ORS 414.211.

39 **SECTION 305.** ORS 413.071 is amended to read:

40 413.071. Notwithstanding any other provision of law, federal laws shall govern the adminis-
41 tration of federally granted funds. The Director of the Oregon [Health Authority] **Department of**
42 **Health** may request a waiver of any federal law in order to fully implement provisions of state law
43 using federally granted funds.

44 **SECTION 306.** ORS 413.072 is amended to read:

45 413.072. (1) As used in this section, "policy change" includes any change in the operation of

1 medical assistance programs that affects recipients adversely in any substantial manner, including
2 but not limited to the denial, reduction, modification or delay of benefits. “Policy change” does not
3 include any procedural change that affects internal management but does not adversely and sub-
4 stantially affect the interest of medical assistance recipients.

5 (2) The Oregon [*Health Authority*] **Department of Health** may submit applications for waiver
6 of federal statutory or regulatory requirements to the federal government or any agency of the
7 federal government. Prior to the submission of any application for waiver that involves a policy
8 change, and prior to implementation, the [*authority*] **department** shall do the following:

9 (a) Conduct a public process regarding the application for waiver or application for waiver re-
10 newals;

11 (b) Prepare a complete summary of the testimony and written comments received during the
12 public process;

13 (c) Submit the application for waiver or application for waiver renewals involving a policy
14 change to the legislative review agency, as described in ORS 291.375, and present the summary of
15 testimony and comments described in this section; and

16 (d) Give notice of the date of the [*authority’s*] **department’s** appearance before the Emergency
17 Board, the Joint Interim Committee on Ways and Means or the Joint Committee on Ways and Means
18 in accordance with ORS 183.335, and before the Medicaid Advisory Committee.

19 **SECTION 307.** ORS 413.083 is amended to read:

20 413.083. (1) The Oregon [*Health Authority*] **Department of Health** shall appoint a dental direc-
21 tor who serves at the pleasure of the [*authority*] **department**. The [*authority*] **department** may es-
22 tablish by rule additional qualifications for the dental director. The dental director:

23 (a) Must be a dentist licensed to practice under ORS chapter 679;

24 (b) Must be in good standing with the Oregon Board of Dentistry or with the dental licensing
25 board of another state if the dental director is not licensed by the board; and

26 (c) Shall oversee programs operated by the [*authority*] **department** that increase access to oral
27 health services, preventative oral health activities and other [*authority*] **department** initiatives that
28 address oral health disparities in this state.

29 (2) The dental director shall:

30 (a) Provide recommendations and guidance to the [*authority*] **department** and other state agen-
31 cies, individuals and community providers on how to prevent oral diseases and measures to take to
32 improve, promote and protect the oral health of the residents of this state, with a focus on reducing
33 oral health disparities among underserved populations;

34 (b) Monitor, study and appraise the oral health needs and resources of residents of this state;

35 (c) Foster the development, expansion and evaluation of oral health services for residents of this
36 state;

37 (d) Provide information concerning oral health to the dental and health communities and the
38 public;

39 (e) Develop policies to promote oral health in this state; and

40 (f) Develop programs, policies and preventive measures to positively impact oral health in this
41 state.

42 **SECTION 308.** ORS 413.084 is amended to read:

43 413.084. The position of State School Nursing Consultant is created in the Oregon [*Health Au-*
44 *thority*] **Department of Health**. The responsibilities of the consultant include, but are not limited
45 to, all of the following:

1 (1) Coordinating and collaborating with the school nurse specialist within the Department of
2 Education.

3 (2) Providing school nursing policy and program guidance for the [*authority, the department*]
4 **Oregon Department of Health, the Department of Education** and other agencies.

5 (3) Supporting and leading the integration of coordinated school health teams and providing as-
6 sistance in sustaining the teams.

7 (4) Providing technical assistance to school nurses on the delivery of nursing care using
8 evidence-based best practice standards and assisting in the establishment of protocols and standards
9 of care in collaboration with professional associations and state agencies.

10 (5) Providing leadership in the delivery of nursing services in schools.

11 (6) Providing clinical consultation and technical support to school nurses and school nursing
12 programs.

13 (7) Serving as a liaison and expert resource in school nursing and school nursing programs for
14 local, regional, state and national health care providers and policymaking bodies.

15 (8) Coordinating school nursing program activities with public health, social services, environ-
16 mental and educational agencies as well as other public and private entities.

17 (9) Monitoring, interpreting, synthesizing and disseminating information relevant to changes in
18 health care, school nursing practices, laws and regulations and other legal issues that impact
19 schools.

20 (10) Promoting quality assurance in school nursing programs by initiating and coordinating a
21 quality assurance program that includes needs assessment, data collection and analysis and
22 evidence-based practices.

23 (11) Representing school nurses in state level partnerships between agencies and between public
24 and private entities, to foster a coordinated school nursing program and other multidisciplinary
25 collaborations.

26 **SECTION 309.** ORS 413.085 is amended to read:

27 413.085. The Director of Human Services, the Director of the Department of Consumer and
28 Business Services and the Director of the Oregon [*Health Authority*] **Department of Health** may
29 delegate to each other by interagency agreement any duties, functions or powers granted to the
30 Department of Human Services, the Department of Consumer and Business Services or the Oregon
31 [*Health Authority*] **Department of Health** by law, as the directors deem necessary for the efficient
32 and effective operation of the respective functions of the departments [*and the authority*].

33 **SECTION 310.** ORS 413.105 is amended to read:

34 413.105. All sums of money recovered by or paid to the Oregon [*Health Authority*] **Department**
35 **of Health** as reimbursement for funds expended for medical assistance shall be paid into the Oregon
36 [*Health Authority*] **Department of Health** Fund established by ORS 413.101 and may be used for the
37 provision and administration of medical assistance. However, the United States Government is en-
38 titled to a share of any amount received as its interest may appear, which shall be promptly paid
39 to the United States Government.

40 **SECTION 311.** ORS 413.109 is amended to read:

41 413.109. (1) The Oregon [*Health Authority*] **Department of Health** may accept funds, money or
42 other valuable things from relatives, corporations or interested persons or organizations for the care
43 and support of needy persons and may expend the same for the care and support of the individual
44 or individuals for whom the moneys were paid.

45 (2) The [*authority*] **department** may accept from individuals, corporations and organizations

1 contributions or gifts in cash or otherwise that shall be disbursed in the same manner as moneys
 2 appropriated for medical assistance purposes, unless the donor of a gift stipulates a different manner
 3 in which a gift must be expended. Moneys received under this section shall be deposited with the
 4 State Treasurer in an account separate and distinct from the General Fund. Interest earned by the
 5 account shall be credited to the account. Moneys in the account are continuously appropriated to
 6 the department for the purposes specified in this section.

7 **SECTION 312.** ORS 413.125 is amended to read:

8 413.125. (1) On written request of the Oregon [*Health Authority*] **Department of Health**, the
 9 Oregon Department of Administrative Services shall draw warrants on amounts appropriated to the
 10 [*authority*] **Oregon Department of Health** for operating expenses for use by the [*authority*] **Oregon**
 11 **Department of Health** as a revolving fund. The revolving fund may not exceed the aggregate sum
 12 of \$100,000 including unreimbursed advances. The revolving fund shall be deposited with the State
 13 Treasurer to be held in a special account against which the [*authority*] **Oregon Department of**
 14 **Health** may draw checks.

15 (2) The revolving fund may be used by the [*authority*] **Oregon Department of Health**:

16 (a) To pay for or advance travel expenses for employees of the [*authority*] **department** and for
 17 any consultants or advisers for whom payment of travel expenses is authorized by law;

18 (b) For purchases required from time to time; or

19 (c) For receipt or disbursement of federal funds available under federal law.

20 (3) All claims for reimbursement of amounts paid from the revolving fund must be approved by
 21 the [*authority*] **Oregon Department of Health** and by the [*department*] **Oregon Department of**
 22 **Administrative Services**. When such claims are approved, the [*department*] **Oregon Department**
 23 **of Administrative Services** shall draw a warrant covering them against the appropriate fund or
 24 account in favor of the [*authority*] **Oregon Department of Health**. The [*authority*] **Oregon De-**
 25 **partment of Health** shall use the moneys to reimburse the revolving fund.

26 **SECTION 313.** ORS 413.129 is amended to read:

27 413.129. The Oregon Department of Administrative Services shall draw warrants in favor of the
 28 Oregon [*Health Authority*] **Department of Health** for the aggregate amounts of the [*authority's*]
 29 **Oregon Department of Health's** expenses. The [*authority*] **Oregon Department of Health** shall
 30 deposit the warrants in the State Treasury in a checking account in reimbursement of those ex-
 31 penses. The [*authority*] **department** may draw its checks on the State Treasury in favor of the per-
 32 sons, firms, corporations, associations or counties entitled to payment under rules of the [*authority*]
 33 **department** so as to include in single combined payments for specified periods all moneys allotted
 34 to particular payees from various sources for the period.

35 **SECTION 314.** ORS 413.135 is amended to read:

36 413.135. Notwithstanding any other law, the Oregon [*Health Authority*] **Department of Health**
 37 may, with the approval of the Oregon Department of Administrative Services and the State Treas-
 38 urer, combine or eliminate any accounts that are established in statute and appropriated to the
 39 [*authority*] **Oregon Department of Health** if economy and efficiency in operations can be obtained
 40 and the combination or elimination of accounts does not substantially alter the intent of the au-
 41 thORIZING statutes. When accounts are combined, the Oregon [*Health Authority*] **Department of**
 42 **Health** retains the authority granted by the statutes establishing the accounts.

43 **SECTION 315.** ORS 413.151 is amended to read:

44 413.151. Liquidated and delinquent debts owed to the Oregon [*Health Authority*] **Department**
 45 **of Health** may be set off against amounts owed by the [*authority*] **department** to the debtors.

1 **SECTION 316.** ORS 413.161 is amended to read:

2 413.161. (1) The Oregon [*Health Authority*] **Department of Health**, in collaboration with the
3 Department of Human Services, shall adopt by rule uniform standards, based on local, statewide and
4 national best practices, for the collection of data on race, ethnicity, preferred spoken and written
5 languages, disability status, sexual orientation and gender identity. The [*authority and the depart-*
6 *ment*] **departments** shall use the standards, to the greatest extent practicable, in surveys conducted
7 and in all programs in which the [*authority*] **Oregon Department of Health** or the Department of
8 **Human Services** collects, records or reports the data described in this subsection. The [*authority*
9 *and the department*] **departments** shall review and update the standards at least once every two
10 years to ensure that the standards are efficient, uniform and consistent with best practices.

11 (2) The [*authority*] **Oregon Department of Health** shall appoint an advisory committee in ac-
12 cordance with ORS 183.333 composed of individuals likely to be affected by the standards and ad-
13 vocates for individuals likely to be affected by the standards.

14 **SECTION 317.** ORS 413.162 is amended to read:

15 413.162. No later than June 1, 2014, and every two years thereafter, the Oregon [*Health Au-*
16 *thority*] **Department of Health** and the Department of Human Services shall report to the appro-
17 priate committees of the Legislative Assembly in the manner provided in ORS 192.245 on the
18 implementation of ORS 413.161. The report must include, but is not limited to:

19 (1) A description of the uniform standards for data collection and the implementation of the
20 standards across all data systems; and

21 (2) The challenges to implementing systemwide standards and the plan for addressing the chal-
22 lenges.

23 **SECTION 318.** ORS 413.163 is amended to read:

24 413.163. The Oregon [*Health Authority*] **Department of Health** shall establish a data system for
25 data on race, ethnicity, preferred spoken and written languages, disability status, sexual orientation
26 and gender identity collected under ORS 413.164. The data system established under this section
27 must include:

28 (1) A data registry to receive and store the data described in this section from coordinated care
29 organizations, health care providers and health insurers, patients, clients and members of coordi-
30 nated care organizations, health care providers and health insurers, the [*authority*] **Oregon De-**
31 **partment of Health** and the Department of Human Services. The registry must allow for
32 coordinated care organizations, health care providers and health insurers to:

33 (a) Electronically submit data collected under ORS 413.164; and

34 (b) Query the data registry to determine whether the registry contains current data for a pa-
35 tient, member or client.

36 (2) Functionality that allows a patient, member or client to directly submit to the data system
37 their data described in this section.

38 **SECTION 319.** ORS 413.164 is amended to read:

39 413.164. (1) As used in this section and ORS 413.163 and 413.167:

40 (a) "Board" means the:

41 (A) State Board of Examiners for Speech-Language Pathology and Audiology;

42 (B) State Board of Chiropractic Examiners;

43 (C) State Board of Licensed Social Workers;

44 (D) Oregon Board of Licensed Professional Counselors and Therapists;

45 (E) Oregon Board of Dentistry;

- 1 (F) State Board of Massage Therapists;
 2 (G) Oregon Board of Naturopathic Medicine;
 3 (H) Oregon State Board of Nursing;
 4 (I) Oregon Board of Optometry;
 5 (J) State Board of Pharmacy;
 6 (K) Oregon Medical Board;
 7 (L) Occupational Therapy Licensing Board;
 8 (M) Oregon Board of Physical Therapy;
 9 (N) Oregon Board of Psychology;
 10 (O) Board of Medical Imaging;
 11 (P) Long Term Care Administrators Board;
 12 (Q) State Board of Direct Entry Midwifery;
 13 (R) State Board of Denture Technology;
 14 (S) Respiratory Therapist and Polysomnographic Technologist Licensing Board;
 15 (T) Board of Licensed Dietitians; and
 16 (U) Oregon [*Health Authority*] **Department of Health**, to the extent that the [*authority*] **de-**
 17 **partment**:
- 18 (i) Licenses emergency medical services providers under ORS 682.216; and
 19 (ii) Regulates traditional health workers under ORS 414.665.
 20 (b) “Coordinated care organization” has the meaning given that term in ORS 414.025.
 21 (c) “Health care provider” means an individual licensed, certified, registered or otherwise au-
 22 thorized to practice by a board.
 23 (d) “Health insurer” has the meaning given that term in ORS 746.600.
 24 (2) At least once each calendar year and in accordance with timelines established by the [*au-*
 25 *thority*] **department** by rule, a coordinated care organization, a health care provider or health care
 26 provider’s designee, or a health insurer shall collect data on race, ethnicity, preferred spoken and
 27 written languages, disability status, sexual orientation and gender identity from the coordinated care
 28 organization’s, health care provider’s or health insurer’s patients, clients and members, in accord-
 29 ance with standards adopted by the [*authority*] **department** pursuant to ORS 413.161. A coordinated
 30 care organization, health care provider or health insurer shall submit the data to the [*authority*]
 31 **department** in the manner prescribed by the [*authority*] **department** by rule.
 32 (3)(a) The [*authority*] **department** shall adopt rules, including but not limited to rules:
 33 (A) Establishing standards for collecting, securely transmitting and reporting the data described
 34 in subsection (2) of this section;
 35 (B) Establishing the timelines for collection and submission of data described in subsection (2)
 36 of this section;
 37 (C) Permitting coordinated care organizations, health care providers and health insurers to re-
 38 port to the [*authority*] **department** that a patient, client or member refused to answer questions
 39 regarding race, ethnicity, preferred spoken and written languages, disability status, sexual orien-
 40 tation and gender identity;
 41 (D) Establishing criteria for extensions of timelines established under this subsection and a
 42 process for reviewing requests for extensions; and
 43 (E) Establishing criteria for exempting certain health care providers or classes of health care
 44 providers from the requirements of subsection (2) of this section and a process for reviewing re-
 45 quests for exemptions.

1 (b) In adopting rules under subsection (2) of this section, the [authority] **department** shall:

2 (A) Consult with the advisory committee established under ORS 413.161;

3 (B) Allow coordinated care organizations, health care providers and health insurers to collect
4 the data described in subsection (2) of this section on electronic or paper forms; and

5 (C) Require coordinated care organizations, health care providers and health insurers to inform
6 patients, clients and members:

7 (i) That data collected under subsection (2) of this section is reported to the [authority] **de-**
8 **partment**;

9 (ii) How the [authority] **department**, coordinated care organization, health care provider and
10 health insurer use the data;

11 (iii) Of the purposes for which the data may not be used; and

12 (iv) That the patient, client or member is not required to answer questions regarding race,
13 ethnicity, preferred spoken and written languages, disability status, sexual orientation and gender
14 identity.

15 (4) Data collected under this section is confidential and not subject to disclosure under ORS
16 192.311 to 192.478. The [authority] **department** may release the data collected under this section
17 only if the data to be released is anonymized and aggregated so that the data released does not
18 reasonably allow an individual whose information is included in the data to be identified.

19 (5) A coordinated care organization or health insurer transacting insurance in this state may
20 not consider any data collected under subsection (2) of this section:

21 (a) In determining whether to deny, limit, cancel, rescind or refuse to renew an insurance policy;

22 (b) To establish premium rates for an insurance policy; or

23 (c) To establish the terms and conditions of an insurance policy.

24 (6) The [authority] **department** may provide incentives to coordinated care organizations, health
25 care providers and health insurers to assist in deferring the costs of making changes to electronic
26 health records systems or similar systems to facilitate the collection of data described in subsection
27 (2) of this section.

28 (7)(a) The [authority] **department** shall monitor coordinated care organizations, health care
29 providers and health insurers for compliance with the standards established under subsection (1) of
30 this section.

31 (b) The [authority] **department** may impose on a coordinated care organization, health care
32 provider or health insurer a civil penalty for a violation of the requirements of this section or rules
33 adopted under this section:

34 (A) Not to exceed \$200 for the first violation;

35 (B) Not to exceed \$400 for the second violation; and

36 (C) Not to exceed \$500 for the third and subsequent violations.

37 (c) Prior to imposing a penalty under paragraph (b) of this subsection, the [authority] **depart-**
38 **ment** shall provide notice to the coordinated care organization, health care provider or health
39 insurer of the alleged violation and provide the coordinated care organization, health care provider
40 or health insurer a reasonable time in which to correct the violation.

41 **SECTION 320.** ORS 413.166 is amended to read:

42 413.166. (1) The Oregon [Health Authority] **Department of Health** shall develop and administer
43 a grant program to provide funding for the purpose of supporting safe data collection by community
44 health organizations and community-based groups with demonstrated experience serving tribal com-
45 munities, communities of color, LGBTQ+ people, people with disabilities, people who speak primary

1 languages other than English and other underserved populations. An entity described in this sub-
2 section that receives a grant under this section shall provide culturally responsive, trauma-informed
3 trainings on the collection of the data described in ORS 413.164 (2).

4 (2) The [authority] **department** shall adopt rules to carry out this section.

5 **SECTION 321.** ORS 413.167 is amended to read:

6 413.167. No later than June 1, 2022, and every two years thereafter, the Oregon [*Health Au-*
7 *thority*] **Department of Health** shall report to the appropriate committees of the Legislative As-
8 sembly in the manner provided in ORS 192.245 on the implementation of ORS 413.163 and 413.164.
9 The report must include, but is not limited to:

10 (1) A description of uniform standards for data collection and implementation of the standards;
11 and

12 (2) The challenges to implementing the standards and plan for addressing the challenges.

13 **SECTION 322.** ORS 413.171 is amended to read:

14 413.171. (1) The Oregon [*Health Authority*] **Department of Health** shall adopt and enforce rules
15 governing the custody, use and preservation of the records, papers, files and communications of the
16 [*authority*] **department** in accordance with applicable privacy laws. The use of the records, papers,
17 files and communications is limited to the purposes for which they are furnished and by the pro-
18 visions of law under which they may be furnished.

19 (2) The records, papers, files and communications of the [*authority*] **department** may be main-
20 tained in a single or combined data system accessible to the [*authority*] **department** and to the
21 Department of Human Services for the administration of programs and the coordination of functions
22 shared by the [*authority and the department*] **departments**.

23 **SECTION 323.** ORS 413.175 is amended to read:

24 413.175. (1) For the protection of applicants for and recipients of public assistance and medical
25 assistance, as defined in ORS 414.025, except as otherwise provided in this section, the Oregon
26 [*Health Authority*] **Department of Health** may not disclose or use the contents of any public as-
27 sistance or medical assistance records, files, papers or communications for purposes other than those
28 directly connected with the administration of the public assistance and medical assistance programs
29 or necessary to assist public assistance or medical assistance applicants and recipients in accessing
30 and receiving other governmental or private nonprofit services, and these records, files, papers and
31 communications are considered confidential subject to the rules of the [*authority*] **department**. In
32 any judicial or administrative proceeding, except proceedings directly connected with the adminis-
33 tration of public assistance, medical assistance or child support enforcement, their contents are
34 considered privileged communications.

35 (2) Nothing in this section prohibits the disclosure or use of contents of records, files, papers
36 or communications for purposes directly connected with the establishment and enforcement of sup-
37 port obligations pursuant to Title IV-D of the Social Security Act.

38 (3) Nothing in this section prohibits the disclosure of the address, Social Security number and
39 photograph of any applicant or recipient to a law enforcement officer at the request of the officer.
40 To receive information pursuant to this section, the officer must furnish the agency the name of the
41 applicant or recipient and advise that the applicant or recipient:

42 (a) Is fleeing to avoid prosecution, custody or confinement after conviction for a felony;

43 (b) Is violating a condition of probation or parole; or

44 (c) Has information that is necessary for the officer to conduct the official duties of the officer
45 and the location or apprehension of the applicant or recipient is within such official duties.

1 (4) Nothing in this section prohibits disclosure of information between the [authority] **Oregon**
 2 **Department of Health** and the Department of Human Services for the purpose of administering
 3 public assistance and medical assistance programs that the [authority and the department] **depart-**
 4 **ments** are responsible for administering.

5 **SECTION 324.** ORS 413.181 is amended to read:

6 413.181. (1) The Department of Consumer and Business Services and the Oregon [Health Au-
 7 *thority*] **Department of Health** may enter into agreements governing the disclosure of information
 8 reported to the Department of Consumer and Business Services by insurers with certificates of
 9 authority to transact insurance in this state and the disclosure of information reported to the
 10 Oregon [Health Authority] **Department of Health** by coordinated care organizations.

11 (2) The [authority] **Oregon Department of Health** may use information disclosed under sub-
 12 section (1) of this section for the purpose of carrying out ORS 413.032, 414.572, 414.591, 414.605,
 13 414.609, 414.638, 415.012 to 415.430 and 415.501.

14 **SECTION 325.** ORS 413.195 is amended to read:

15 413.195. (1) As used in this section:

16 (a) "Family member" means any individual related by blood, marriage or adoption to a person
 17 whose cremated or reduced remains are in the possession of the Oregon [Health Authority] **De-**
 18 **partment of Health.**

19 (b) "Reduced remains" means the remains of a human body after completion of an authorized
 20 process for reducing human remains. Authorized processes for reducing human remains include
 21 alkaline hydrolysis, natural organic reduction and any other alternative process authorized by the
 22 State Mortuary and Cemetery Board.

23 (2) Notwithstanding any other provision of law, the [authority] **Oregon Department of Health**
 24 shall disclose to the general public the name and the dates of birth and death of a person whose
 25 cremated or reduced remains are in the possession of the [authority] **department** for the purpose
 26 of:

27 (a) Giving a family member of the person an opportunity to claim the cremated or reduced re-
 28 mains; or

29 (b) Creating a memorial for those persons whose cremated or reduced remains are not claimed.

30 (3) If an individual contacts the [authority] **department** to determine whether the [authority]
 31 **department** is in possession of the cremated or reduced remains of a family member of the indi-
 32 vidual and the [authority] **department** determines that the [authority] **department** is in possession
 33 of the cremated or reduced remains, the [authority] **department** shall disclose to the individual that
 34 the [authority] **department** is in possession of the cremated or reduced remains and offer the indi-
 35 vidual the opportunity to claim the remains.

36 **SECTION 326.** ORS 413.196 is amended to read:

37 413.196. (1)(a) All information procured by or furnished to the Oregon [Health Authority] **De-**
 38 **partment of Health**, any federal public health agency or any nonprofit health agency that is exempt
 39 from taxation under the laws of this state or procured by any agency, organization or person acting
 40 jointly with or at the request of the [authority] **department**, in connection with special
 41 epidemiologic morbidity and mortality studies, is confidential, nondiscoverable and inadmissible in
 42 any proceeding and is exempt from disclosure under ORS 192.311 to 192.478. A person communicat-
 43 ing information in connection with special epidemiologic morbidity and mortality studies pursuant
 44 to this subsection may not be examined about the communication or the information.

45 (b) Nothing in this subsection affects the confidentiality or admissibility into evidence of data

1 not otherwise confidential or privileged that is obtained from sources other than the [authority]
2 **department.**

3 (c) As used in this subsection, “information” includes, but is not limited to, written reports,
4 notes, records, statements and studies.

5 (2) The furnishing of morbidity and mortality information to the [authority] **department** or
6 health agency, to its authorized representatives or to any other agency, organization or person co-
7 operating in a special epidemiologic study, does not subject any hospital, sanitarium, rest home,
8 nursing home or other organization or person furnishing such information to an action for damages.

9 (3) Subsection (1) of this section does not prevent the [authority] **department** or a health agency
10 from publishing:

11 (a) Statistical compilations and reports relating to special epidemiologic morbidity and mortality
12 studies, if such compilations and reports do not identify individual cases and sources of information.

13 (b) General morbidity and mortality studies customarily and continuously conducted by the
14 [authority] **department** or health agency that do not involve patient identification.

15 (4) Nothing in this section prevents disposition of records described in subsection (1) of this
16 section pursuant to ORS 192.105.

17 **SECTION 327.** ORS 413.201 is amended to read:

18 413.201. (1) The Oregon [Health Authority] **Department of Health** is responsible for statewide
19 outreach, education and engagement for the Cover All People program established in ORS 414.231
20 and administered by the [authority] **department** with the goal of enrolling in the program all eligible
21 individuals residing in this state. The [authority] **department**, in collaboration with the work group
22 described in subsection (3) of this section, shall evaluate and implement the outreach, education and
23 engagement strategies designed to most effectively encourage enrollment in the program.

24 (2) To maximize the enrollment and retention of eligible individuals in the Cover All People
25 program, the [authority] **department** shall develop and administer a grant program to provide
26 funding to organizations and community based groups to deliver culturally specific and targeted
27 outreach, application assistance and navigation to:

28 (a) Members of racial, ethnic and language minority communities;

29 (b) Children and families living in geographic isolation; and

30 (c) Children and families with additional barriers to accessing health care, such as cognitive,
31 mental health or sensory disorders, physical disabilities or chemical dependency or homelessness.

32 (3) The [authority] **department** shall convene a work group, consisting of individuals with ex-
33 perience in conducting outreach to the individuals described in subsection (2)(a) to (c) of this sec-
34 tion, to advise and assist the [authority] **department** in carrying out its duties under this section
35 and in developing an implementation plan to ensure that community feedback is included from a
36 health equity perspective.

37 **SECTION 328.** ORS 413.223 is amended to read:

38 413.223. The division of the Oregon [Health Authority] **Department of Health** that is charged
39 with public health functions:

40 (1) Shall develop and continuously refine a system of care that:

41 (a) Meets the developmental needs of adolescents;

42 (b) Promotes evidence-based practices for children; and

43 (c) Prioritizes public health through activities such as:

44 (A) Establishing certification and performance standards;

45 (B) Collecting and analyzing clinical data;

1 (C) Conducting ongoing assessments and special studies; and

2 (D) Defining a statewide planning and development process.

3 (2) Shall adopt by rule the procedures and criteria for the certification, suspension and decerti-
4 fication of school-based health centers. The procedures must allow certified school-based health
5 centers a reasonable period of time to cure any defects in compliance prior to the suspension or
6 decertification of the school-based health center.

7 (3) Shall convene work groups to recommend best practices for school-based health centers with
8 respect to electronic health records, billing, joint purchasing, business models and patient centered
9 primary care home identification.

10 (4)(a) May, in addition to the duties described in subsection (1) of this section, enter into a
11 contract with an entity that coordinates the efforts of school-based health centers for the purpose
12 of providing assistance to school-based health centers that receive grant moneys under ORS 413.225.

13 (b) A contract entered into under this subsection must require the entity to:

14 (A) Provide technical assistance and community-specific ongoing training to school-based health
15 centers, school districts and education service districts;

16 (B) Assist school-based health centers in improving business practices, including practices re-
17 lated to billing and efficiencies;

18 (C) Assist school-based health centers in expanding their relationships with coordinated care
19 organizations, sponsors of medical care for school-age children and other community-based providers
20 of school-based health and mental health services; and

21 (D) Facilitate the integration of health and education policies and programs at the local level
22 so that school-based health centers operate in an optimal environment.

23 **SECTION 329.** ORS 413.225 is amended to read:

24 413.225. (1) As used in this section:

25 (a) "Community health center or safety net clinic" means a nonprofit medical clinic or school-
26 based health center that provides primary physical health, vision, dental or mental health services
27 to low-income patients without charge or using a sliding scale based on the income of the patient.

28 (b) "School-based health center" means a health clinic that:

29 (A) Is located on the grounds of a school in a school district or on the grounds of a school op-
30 erated by a federally recognized Indian tribe or tribal organization;

31 (B) Is organized through collaboration among schools, communities and health providers, in-
32 cluding public health authorities;

33 (C) Is administered by a county, state, federal or private organization that ensures that certi-
34 fication requirements are met and provides project funding through grants, contracts, billing or
35 other sources of funds;

36 (D) Is operated exclusively for the purpose of providing health services such as:

37 (i) Primary care;

38 (ii) Preventive health care;

39 (iii) Management and monitoring of chronic health conditions;

40 (iv) Behavioral health care;

41 (v) Oral health care;

42 (vi) Health education services; and

43 (vii) The administration of vaccines recommended by the Centers for Disease Control and Pre-
44 vention;

45 (E) Provides health services to children and adolescents by licensed or certified health profes-

1 sionals; and

2 (F) May provide one or more health services to children and adolescents by:

3 (i) A student enrolled in a professional medical, nursing or dental program at an accredited
4 university if the health service is within the student's field of study and training; or

5 (ii) An expanded practice dental hygienist holding a permit issued under ORS 680.200 for oral
6 health care.

7 (2)(a) The Oregon [*Health Authority*] **Department of Health** shall award grants to community
8 health centers or safety net clinics, including school-based health centers, to ensure the capacity
9 of each grantee to provide health care services to underserved or vulnerable populations.

10 (b) The [*authority*] **department** shall work with the Centers for Medicare and Medicaid Services
11 and stakeholders to identify additional sources of funding for school-based health center expen-
12 ditures for which federal financial participation is available under Title XIX or Title XXI of the
13 Social Security Act.

14 (3) The [*authority*] **department** shall provide outreach for the Cover All People program, in-
15 cluding development and administration of an application assistance program, and including grants
16 to provide funding to organizations and local groups for outreach and enrollment activities for the
17 program, within the limits of funds provided by the Legislative Assembly for this purpose.

18 (4) The [*authority*] **department** shall, using funds allocated by the Legislative Assembly:

19 (a) Provide funds for the expansion and continuation of school-based health centers that are
20 operating on July 29, 2013, and that become certified under ORS 413.223;

21 (b) Direct funds to communities with certified school-based health centers and to communities
22 planning for certified school-based health centers; and

23 (c) Create a pool of funds available to provide financial incentives to:

24 (A) Increase the number of school-based health centers identified as patient centered primary
25 care homes without requiring school-based health centers to be identified as patient centered pri-
26 mary care homes;

27 (B) Improve the coordination of the care of patients served by coordinated care organizations
28 and school-based health centers; and

29 (C) Improve the effectiveness of the delivery of health services through school-based health
30 centers to children who qualify for medical assistance.

31 (5) The [*authority*] **department** shall by rule adopt criteria for awarding grants and providing
32 funds in accordance with this section.

33 (6) The [*authority*] **department** shall analyze and evaluate the implementation of the Cover All
34 People program.

35 **SECTION 330.** ORS 413.227 is amended to read:

36 413.227. (1) As used in this section:

37 (a) "Coordinated care organization" has the meaning given that term in ORS 414.025.

38 (b) "Global budget" has the meaning given that term in ORS 414.025.

39 (2) The Oregon [*Health Authority*] **Department of Health** may not reduce a global budget or
40 deny reimbursement for the costs claimed by a coordinated care organization to provide care coord-
41 ination or other social services relating to improving access for students to school-based oral
42 health services.

43 **SECTION 331.** ORS 413.231 is amended to read:

44 413.231. The Oregon [*Health Authority*] **Department of Health**, through the Health Care
45 Workforce Committee created pursuant to ORS 413.017, shall work with interested parties, which

1 may include Travel Oregon, the State Workforce and Talent Development Board, medical schools,
 2 physician organizations, hospitals, county and city officials, local chambers of commerce, organiza-
 3 tions that promote Oregon or local communities in Oregon, and organizations that recruit health
 4 care professionals, to develop a strategic plan for recruiting primary care providers to Oregon. The
 5 strategic plan must address:

6 (1) Best recruitment practices and existing recruitment programs;

7 (2) Development of materials and information promoting Oregon as a desirable place for primary
 8 care providers to live and work;

9 (3) Development of a pilot program to promote coordinated visiting and recruitment opportu-
 10 nities for primary care providers;

11 (4) Potential funding opportunities; and

12 (5) The best entities to implement the strategic plan.

13 **SECTION 332.** ORS 413.234 is amended to read:

14 413.234. (1) As used in ORS 413.234 and 413.235:

15 (a) “Emergency medical services” means the services provided by emergency medical services
 16 providers to an individual experiencing a medical emergency in order to:

17 (A) Assess, treat and stabilize the individual’s medical condition; or

18 (B) Prepare and transport the individual by ground to a medical facility.

19 (b) “Emergency medical services provider” or “provider” means an entity that employs individ-
 20 uals who are licensed by the Oregon [*Health Authority*] **Department of Health** under ORS chapter
 21 682 to provide emergency medical services and that is owned or operated by a local government, a
 22 state agency or a federally recognized Indian tribe.

23 (c) “Federal financial participation” means the portion of medical assistance expenditures for
 24 emergency medical services that are paid or reimbursed by the Centers for Medicare and Medicaid
 25 Services in accordance with the state plan for medical assistance.

26 (d) “Local government” has the meaning given that term in ORS 174.116.

27 (2) Upon request, an emergency medical services provider that has entered into a provider
 28 agreement with the [*authority*] **department** or a contract with a coordinated care organization is
 29 eligible to receive Medicaid supplemental reimbursement from the [*authority*] **department** or coor-
 30 dinated care organization for the cost of providing emergency medical services to a medical assist-
 31 ance recipient. The Medicaid supplemental reimbursement shall be added to the payment by the
 32 [*authority*] **department** or coordinated care organization for the emergency medical services as
 33 permitted by the Centers for Medicare and Medicaid Services.

34 (3)(a) Except as provided in paragraph (b) of this subsection, the Medicaid supplemental re-
 35 imbursement paid to an emergency medical services provider shall be equal to the amount of federal
 36 financial participation received by the [*authority*] **department** for the provider’s cost for the emer-
 37 gency medical services.

38 (b) The Medicaid supplemental reimbursement paid to a provider under this section may not
 39 exceed the provider’s actual costs for the emergency medical services, determined in accordance
 40 with standards established by the [*authority*] **department**, less the amount of reimbursement that
 41 the provider is eligible to receive from all public and private sources.

42 (4) An emergency medical services provider shall make readily available to the [*authority*] **de-**
 43 **partment** documentation, data and certifications, as prescribed by the [*authority*] **department**,
 44 necessary to establish that the emergency medical services expenditures qualify for federal financial
 45 participation and to calculate the amount of Medicaid supplemental reimbursement that is due.

1 (5)(a) Except as provided in paragraph (b) of this subsection, the [authority] **department** shall
2 modify the method for calculating or paying the Medicaid supplemental reimbursement if modifica-
3 tion is necessary to ensure that emergency medical services expenditures qualify for federal finan-
4 cial participation.

5 (b) This section does not authorize the payment of Medicaid supplemental reimbursement to an
6 emergency medical services provider if the provider has not entered into a provider agreement with
7 the [authority] **department**, or a contract with a coordinated care organization, to serve medical
8 assistance recipients.

9 (c) If the Centers for Medicare and Medicaid Services approves the implementation of this sec-
10 tion and later revokes its approval or expresses its intent to revoke or refuse to renew its approval,
11 the [authority] **department** shall report the fact at the next convening of the interim or regular
12 session committees of the Legislative Assembly related to health care.

13 (6) General Fund moneys may not be used to implement this section. As a condition of receiving
14 Medicaid supplemental reimbursement, an emergency medical services provider must enter into and
15 comply with an agreement with the [authority] **department** to reimburse the [authority] **department**
16 for the costs of administering this section.

17 **SECTION 333.** ORS 413.235 is amended to read:

18 413.235. (1) The Oregon [Health Authority] **Department of Health** shall develop and implement
19 an intergovernmental transfer program to provide for the transfer of funds from an emergency
20 medical services provider to the [authority] **department** to pay the costs of providing emergency
21 medical services to members of a coordinated care organization. The [authority] **department** shall
22 pay any federal financial participation received by the [authority] **department** as a result of the
23 transfer of funds to the coordinated care organization. The coordinated care organization shall in-
24 crease, by the same amount, the amount of reimbursement paid to the emergency medical services
25 provider for the costs of the emergency medical services.

26 (2) The increased reimbursement paid under subsection (1) of this section shall be at least
27 actuarially equivalent to the Medicaid supplemental reimbursement for the emergency medical ser-
28 vices paid under ORS 413.234.

29 (3) General Fund moneys may not be used to implement this section. As a condition of partic-
30 ipation in the intergovernmental transfer program described in subsection (1) of this section, an
31 emergency medical services provider must agree to pay a fee to reimburse the [authority] **depart-**
32 **ment** for the costs of administering the program. The fee may not exceed 20 percent of the cost of
33 the emergency medical services provided. The [authority] **department** shall allow up to 120 percent
34 of the fee to be counted as an operating cost for providers.

35 (4) An emergency medical services provider shall make readily available to the [authority] **de-**
36 **partment** documentation, data and certifications, as prescribed by the [authority] **department**,
37 necessary to establish that the emergency medical services expenditures qualify for federal financial
38 participation and to calculate the amount due to a coordinated care organization for the expen-
39 ditures.

40 (5) If the [authority] **department** determines that any expenditure made by an emergency med-
41 ical services provider does not qualify for federal financial participation, the [authority] **department**
42 shall return the funds associated with the expenditure to the provider or refuse to accept the
43 transfer of funds associated with the expenditure.

44 (6) Participation by any coordinated care organization or emergency medical services provider
45 in the program must be voluntary.

1 (7) The [authority] **department** shall consult with emergency medical services providers in the
2 development, implementation and operation of the intergovernmental transfer program.

3 **SECTION 334.** ORS 413.246 is amended to read:

4 413.246. The Oregon [Health Authority] **Department of Health**, in consultation with the appro-
5 priate professional and trade associations and licensing boards, shall inform retired physicians and
6 health care providers regarding ORS 30.302 and 30.792.

7 **SECTION 335.** ORS 413.248 is amended to read:

8 413.248. (1) The Physician Visa Waiver Program is established in the Oregon [Health
9 Authority] **Department of Health**. The purpose of the program is to make recommendations to the
10 United States Department of State for a waiver of the foreign country residency requirement on
11 behalf of foreign physicians holding visas who seek employment in federally designated shortage
12 areas.

13 (2) A foreign physician who has completed a residency in the United States may apply to the
14 [authority] **Oregon Department of Health** for a recommendation for a waiver of the foreign country
15 residency requirement in order to obtain employment in a federally designated shortage area in the
16 state. Applications shall be on the forms of and contain the information requested by the
17 [authority] **department**. Each application shall be accompanied by the application fee.

18 (3) The [authority] **department** reserves the right to recommend or decline to recommend any
19 request for a waiver.

20 (4) The [authority] **department** shall adopt rules necessary to implement and administer the
21 program, including but not limited to adopting an application fee not to exceed the cost of admin-
22 istering the program.

23 **SECTION 336.** ORS 413.250 is amended to read:

24 413.250. (1) There is created in the Oregon [Health Authority] **Department of Health** the
25 Statewide Health Improvement Program to support evidence-based community efforts to prevent
26 chronic disease and reduce the utilization of expensive and invasive acute treatments. The program
27 is composed of activities described in subsection (2) of this section.

28 (2)(a) The [authority] **department** may, subject to funding, award one or more grants to support
29 community-based primary and secondary prevention activities focused on chronic diseases, and in
30 line with the goals of the Statewide Health Improvement Program.

31 (b) To receive a grant under this subsection, an applicant must submit a proposal that:

32 (A) Includes outside funding of at least 10 percent of the total funding required;

33 (B) Is developed with community input, including the input of communities most affected by
34 health disparities;

35 (C) Involves a range of community partners, including a range of multicultural community pro-
36 viders;

37 (D) Is evidence-based;

38 (E) Reduces health disparities among populations; and

39 (F) Contains performance criteria and measurable outcomes to demonstrate, including for com-
40 munities most affected by health disparities as well as for individuals who are participating in the
41 community-based primary and secondary activity proposal, improvements in population health status
42 and health education and a reduction of chronic disease risk factors.

43 **SECTION 337.** ORS 413.255 is amended to read:

44 413.255. In addition to its other powers, the Oregon [Health Authority] **Department of Health**
45 may:

1 (1) Enter into agreements with, join with or accept grants from the federal government for co-
 2 operative research and demonstration projects for health and health care purposes, including, but
 3 not limited to, any project that:

4 (a) Improves the lifelong health of Oregonians.

5 (b) Aids in effecting coordination of planning between private and public health and health care
 6 agencies of the state.

7 (c) Improves the administration and effectiveness of programs carried on or assisted by the
 8 [authority] **department**.

9 (2) With the cooperation and the financial assistance of the federal government, train personnel
 10 employed or preparing for employment by the [authority] **department**. The training may be carried
 11 out in any manner, including but not limited to:

12 (a) Directly by the [authority] **department**.

13 (b) Indirectly through grants to public or other nonprofit institutions of learning or through
 14 grants of fellowships.

15 (c) Any other manner for which federal aid in support of the training is available.

16 (3) Subject to the allotment system provided for in ORS 291.234 to 291.260, expend the sums re-
 17 quired to be expended for the programs and projects described in subsections (1) and (2) of this
 18 section.

19 **SECTION 338.** ORS 413.256 is amended to read:

20 413.256. (1) As used in this section:

21 (a) “Communities of color” means members of racial or ethnic communities as prescribed by the
 22 Oregon [Health Authority] **Department of Health** by rule.

23 (b) “Community-led” means based on a set of core principles that, at a minimum, engages the
 24 people living in a geographic community to establish goals and priorities, using local residents as
 25 leaders, building on strengths rather than focusing on problems and involving cross-sector collab-
 26 oration that is intentional and adaptable and works to achieve systemic change.

27 (c) “Cross-sector” means involving individuals, public and private institutions and communities
 28 working together to address the social determinants of health and equity.

29 (d) “Culturally specific” means led by individuals from the community served, using language,
 30 structures and settings familiar to the members of the community.

31 (e) “Regional health equity coalition” means an autonomous, community-led, cross-sector group
 32 that:

33 (A) Is focused on addressing, at the policy, system and environmental levels, health inequities
 34 experienced by priority populations, with the leading priority being communities of color;

35 (B) Is completely independent of coordinated care organizations and public bodies as defined in
 36 ORS 174.109;

37 (C) Is supported by a federally recognized Indian tribe in Oregon or one of the following
 38 community-based nonprofit entities:

39 (i) A culturally specific organization;

40 (ii) A social service provider;

41 (iii) An organization that provides health care;

42 (iv) An organization that conducts public health research;

43 (v) An organization that provides behavioral health treatment;

44 (vi) A private foundation; or

45 (vii) A faith-based organization; and

- 1 (D) Has a decision-making body that:
- 2 (i) Is composed 51 percent or more of individuals who identify as members of communities of
- 3 color who have experienced health inequities; and
- 4 (ii) Prioritizes the recruitment of members who identify as members of communities of color or
- 5 who work in roles that address health inequities and institutional racism.
- 6 (f) “Regional health equity coalition model” means an approach that:
- 7 (A) Recognizes the impact of structural, institutional and interpersonal racism on the health and
- 8 well-being of communities of color and other priority populations;
- 9 (B) Meaningfully engages priority populations to lead efforts to address health inequities;
- 10 (C) Supports and strengthens leadership development for priority populations; and
- 11 (D) Honors the wisdom of members of priority populations by ensuring that policy solutions and
- 12 system changes build upon the strengths of the priority populations.
- 13 (g) “Priority populations” means:
- 14 (A) Communities of color;
- 15 (B) Oregon’s nine federally recognized Indian tribes, including descendants of the members of
- 16 Oregon’s nine federally recognized Indian tribes;
- 17 (C) Immigrants and refugees;
- 18 (D) Migrant and seasonal farmworkers;
- 19 (E) Low-income individuals and families;
- 20 (F) Persons with disabilities; and
- 21 (G) Individuals who identify as lesbian, gay, bisexual, transgender or queer or who question
- 22 their sexual or gender identity.
- 23 (2) The [authority] **department** shall work with regional health equity coalitions.
- 24 (3) The [authority] **department** shall ensure that it has adequate staffing to support grantees
- 25 through ongoing technical assistance, contract administration, program planning and daily opera-
- 26 tional support.
- 27 **SECTION 339.** ORS 413.257 is amended to read:
- 28 413.257. (1) The Legislative Assembly declares that it is in the best interest of the people of
- 29 Oregon for the competing health care systems in this state to come together and find a way to en-
- 30 vision the future of health care delivery in this state. The Legislative Assembly therefore declares
- 31 its intent to exempt from state antitrust laws, and to provide immunity from federal antitrust laws
- 32 through the state action doctrine, the collaborative activities described in subsection (2) of this
- 33 section, that might otherwise be constrained by such laws.
- 34 (2) The Director of the Oregon [Health Authority] **Department of Health** shall provide a forum
- 35 for individuals representing all of the vertically integrated, nonprofit health care systems in this
- 36 state to participate in meaningful and open discussions and engage in a good faith collaboration to
- 37 create the experimental, prototype health care of tomorrow.
- 38 (3) The collaboration must be guided by the following principles:
- 39 (a) Health care must be readily accessible throughout every community in this state;
- 40 (b) High quality health care must be provided at a cost much lower than the cost of health care
- 41 today;
- 42 (c) The experimental, prototype health care of tomorrow must incorporate innovations that are
- 43 gathered from the best minds around the world and can be rapidly implemented throughout the de-
- 44 livery system;
- 45 (d) The experimental, prototype health care of tomorrow must continuously implement sufficient

1 improvements in health care to completely offset any increases in cost over extended periods of
2 time; and

3 (e) The nonprofit health care systems participating in the experimental, prototype health care
4 of tomorrow may not be competitors, but must work together in an integrated fashion to maximize
5 their shared social missions.

6 (4) The director or the director's designee shall engage in state supervision of the collaboration
7 to ensure that the discussions and activities of the participants in the collaboration are limited to
8 the activities described in this section.

9 **SECTION 340.** ORS 413.259 is amended to read:

10 413.259. (1) There is established in the Oregon [*Health Authority*] **Department of Health** the
11 patient centered primary care home program and the behavioral health home program. Through
12 these programs, the [*authority*] **department** shall:

13 (a) Define core attributes of a patient centered primary care home and a behavioral health home
14 to promote a reasonable level of consistency of services provided by patient centered primary care
15 homes and behavioral health homes in this state. In defining core attributes related to ensuring that
16 care is coordinated, the [*authority*] **department** shall focus on determining whether these patient
17 centered primary care homes and behavioral health homes offer comprehensive primary and pre-
18 ventive care, integrated health care and disease management services;

19 (b) Establish a simple and uniform process to identify patient centered primary care homes and
20 behavioral health homes that meet the core attributes defined by the [*authority*] **department** under
21 paragraph (a) of this subsection;

22 (c) Develop uniform quality measures that build from nationally accepted measures and allow
23 for standard measurement of patient centered primary care home and behavioral health home per-
24 formance;

25 (d) Develop uniform quality measures for acute care hospital and ambulatory services that align
26 with the patient centered primary care home and behavioral health home quality measures devel-
27 oped under paragraph (c) of this subsection; and

28 (e) Develop policies that encourage the retention of, and the growth in the numbers of, primary
29 care providers.

30 (2)(a) The Director of the Oregon [*Health Authority*] **Department of Health** shall appoint an
31 advisory committee to advise the [*authority*] **department** in carrying out subsection (1) of this sec-
32 tion.

33 (b) The director shall appoint to the advisory committee 15 individuals who represent a diverse
34 constituency and are knowledgeable about patient centered primary care home delivery systems,
35 behavioral health home delivery systems, integrated health care or health care quality.

36 (c) Members of the advisory committee are not entitled to compensation, but may be reimbursed
37 for actual and necessary travel and other expenses incurred by them in the performance of their
38 official duties in the manner and amounts provided for in ORS 292.495. Claims for expenses shall
39 be paid out of funds appropriated to the [*authority*] **department** for the purposes of the advisory
40 committee.

41 (d) The advisory committee shall use public input to guide policy development.

42 (3) The [*authority*] **department** will also establish, as part of the patient centered primary care
43 home program, learning collaboratives in which state agencies, private health insurance carriers,
44 third party administrators, patient centered primary care homes and behavioral health homes can:

45 (a) Share information about quality improvement;

1 (b) Share best practices that increase access to culturally competent and linguistically appro-
2 priate care;

3 (c) Share best practices that increase the adoption and use of the latest techniques in effective
4 and cost-effective patient centered care;

5 (d) Coordinate efforts to develop and test methods to align financial incentives to support pa-
6 tient centered primary care homes and behavioral health homes;

7 (e) Share best practices for maximizing the utilization of patient centered primary care homes
8 and behavioral health homes by individuals enrolled in medical assistance programs, including cul-
9 turally specific and targeted outreach and direct assistance with applications to adults and children
10 of racial, ethnic and language minority communities and other underserved populations;

11 (f) Coordinate efforts to conduct research on patient centered primary care homes and behav-
12 ior health homes and evaluate strategies to implement patient centered primary care homes and
13 behavioral health homes that include integrated health care to improve health status and quality
14 and reduce overall health care costs; and

15 (g) Share best practices for maximizing integration to ensure that patients have access to com-
16 prehensive primary and preventive care, integrated health care and disease management services.

17 (4) The Legislative Assembly declares that collaboration among public payers, private health
18 carriers, third party purchasers and providers to identify appropriate reimbursement methods to
19 align incentives in support of patient centered primary care homes and behavioral health homes is
20 in the best interest of the public. The Legislative Assembly therefore declares its intent to exempt
21 from state antitrust laws, and to provide immunity from federal antitrust laws, the collaborative and
22 associated payment reforms designed and implemented under subsection (3) of this section that might
23 otherwise be constrained by such laws. The Legislative Assembly does not authorize any person or
24 entity to engage in activities or to conspire to engage in activities that would constitute per se vi-
25 olations of state or federal antitrust laws including, but not limited to, agreements among competing
26 health care providers or health carriers as to the prices of specific levels of reimbursement for
27 health care services.

28 (5) The [authority] **department** may contract with a public or private entity to facilitate the
29 work of the learning collaborative described in subsection (3) of this section and may apply for, re-
30 ceive and accept grants, gifts, payments and other funds and advances, appropriations, properties
31 and services from the United States, the State of Oregon or any governmental body or agency or
32 from any other public or private corporation or person for the purpose of establishing and main-
33 taining the collaborative.

34 **SECTION 341.** ORS 413.260 is amended to read:

35 413.260. (1) The Oregon [Health Authority] **Department of Health**, in collaboration with health
36 insurers and purchasers of health plans including the Public Employees' Benefit Board, the Oregon
37 Educators Benefit Board and other members of the patient centered primary care home learning
38 collaborative and the patient centered primary care home program advisory committee, shall:

39 (a) Develop, test and evaluate strategies that reward enrollees in publicly funded health plans
40 for:

41 (A) Receiving care through patient centered primary care homes and behavioral health homes
42 that meet the core attributes established in ORS 413.259;

43 (B) Seeking preventative and wellness services;

44 (C) Practicing healthy behaviors; and

45 (D) Effectively managing chronic diseases.

1 (b) Develop, test and evaluate community-based strategies that utilize community health workers
2 to enhance the culturally competent and linguistically appropriate health services provided by pa-
3 tient centered primary care homes and behavioral health homes in underserved communities.

4 (2) The [authority] **department** shall focus on patients with chronic health conditions in devel-
5 oping strategies under this section.

6 (3) The [authority] **department**, in collaboration with the Public Employees' Benefit Board and
7 the Oregon Educators Benefit Board, shall establish uniform standards for contracts with health
8 benefit plans providing coverage to public employees to promote the provision of patient centered
9 primary care homes, especially for enrollees with chronic medical conditions, and behavioral health
10 homes that are consistent with the uniform quality measures established under ORS 413.259 (1)(c).

11 (4) The standards established under subsection (3) of this section may direct health benefit plans
12 to provide incentives to primary care providers who serve vulnerable populations to partner with
13 health-focused community-based organizations to provide culturally specific health promotion and
14 disease management services.

15 **SECTION 342.** ORS 413.270 is amended to read:

16 413.270. (1) The Palliative Care and Quality of Life Interdisciplinary Advisory Council is estab-
17 lished in the Oregon [Health Authority] **Department of Health** consisting of nine members ap-
18 pointed by the Director of the Oregon [Health Authority] **Department of Health**.

19 (2) The council shall consult with and advise the director on:

20 (a) Matters related to the establishment, maintenance, operation and evaluation of palliative
21 care initiatives in this state; and

22 (b) The implementation of ORS 413.273.

23 (3) The members of the council must include:

24 (a) Individuals with collective expertise in interdisciplinary palliative care provided in a variety
25 of settings and to children, youths, adults and the elderly;

26 (b) Individuals with expertise in nursing, social work and pharmacy;

27 (c) Members of the clergy or individuals who have professional spiritual expertise; and

28 (d) At least two board-certified physicians or nurses with expertise in palliative care.

29 (4) The term of office of each member is three years but a member serves at the pleasure of the
30 director. Before the expiration of the term of a member, the director shall appoint a successor whose
31 term begins on January 1, next following. A member is eligible for reappointment. If there is a va-
32 cancy for any cause, the director shall make an appointment to become immediately effective for the
33 unexpired term.

34 (5) The council shall select one of its members as chairperson and another as vice chairperson,
35 for such terms and with duties and powers necessary for the performance of the functions of such
36 offices as the council determines.

37 (6) A majority of the members of the council constitutes a quorum for the transaction of busi-
38 ness.

39 (7) The council shall meet at least twice every year at a place, day and hour determined by the
40 council. The council may also meet at other times and places specified by the call of the chairperson
41 or of a majority of the members of the council.

42 (8) A member of the council is not entitled to compensation but in the discretion of the director
43 may be reimbursed from funds available to the [authority] **department** for actual and necessary
44 travel and other expenses incurred by the member in the performance of the member's official duties
45 in the manner and amount provided in ORS 292.495.

1 (9) The [authority] **department** shall provide staff support to the council.

2 **SECTION 343.** ORS 413.271 is amended to read:

3 413.271. (1) The Oregon [Health Authority] **Department of Health** shall publish on its website
4 information and resources, including links to external resources, about palliative care. This may
5 include, but is not limited to:

6 (a) Continuing educational opportunities for health care providers;

7 (b) Information about palliative care delivery in the home and in primary, secondary and tertiary
8 care facilities;

9 (c) Best practices for and cultural competency in the delivery of palliative care;

10 (d) Consumer education materials; and

11 (e) Referral information for culturally competent palliative care.

12 (2) The [authority] **department** shall consult with the Palliative Care and Quality of Life Inter-
13 disciplinary Advisory Council in carrying out this section.

14 **SECTION 344.** ORS 413.301 is amended to read:

15 413.301. (1) There is established a Health Information Technology Oversight Council within the
16 Oregon [Health Authority] **Department of Health**. The Oregon Health Policy Board shall:

17 (a) Determine the terms of members on the council and the organization of the council.

18 (b) Appoint members to the council who, collectively, have expertise, knowledge or direct ex-
19 perience in health care delivery, health information technology, health informatics and health care
20 quality improvement.

21 (c) Ensure that there is broad representation on the council of individuals and organizations
22 that will be impacted by the Oregon Health Information Technology program.

23 (2) To aid and advise the council in the performance of its functions, the council may establish
24 such advisory and technical committees as the council considers necessary. The committees may be
25 continuing or temporary. The council shall determine the representation, membership, terms and
26 organization of the committees and shall appoint persons to serve on the committees.

27 (3) Members of the council are not entitled to compensation, but in the discretion of the board
28 may be reimbursed from funds available to the board for actual and necessary travel and other ex-
29 penses incurred by the members of the council in the performance of their official duties in the
30 manner and amount provided in ORS 292.495.

31 **SECTION 345.** ORS 413.308 is amended to read:

32 413.308. The duties of the Health Information Technology Oversight Council are to:

33 (1) Identify and make specific recommendations related to health information technology to the
34 Oregon Health Policy Board to achieve the goals of the Oregon Integrated and Coordinated Health
35 Care Delivery System established by ORS 414.570.

36 (2) Regularly review and report to the board on the Oregon [Health Authority's] **Department**
37 **of Health's** health information technology efforts, including the Oregon Health Information Tech-
38 nology program, toward achieving the goals of the Oregon Integrated and Coordinated Health Care
39 Delivery System.

40 (3) Regularly review and report to the board on the efforts of local, regional and statewide or-
41 ganizations to participate in health information technology systems.

42 (4) Regularly review and report to the board on this state's progress in the adoption and use
43 of health information technology by health care providers, health systems, patients and other users.

44 (5) Advise the board or the Oregon Congressional Delegation on changes to federal laws af-
45 fecting health information technology that will promote this state's efforts in utilizing health infor-

1 mation technology.

2 **SECTION 346.** ORS 413.310 is amended to read:

3 413.310. (1) The Oregon [*Health Authority*] **Department of Health** shall establish and maintain
4 the Oregon Health Information Technology program to:

5 (a) Support the Oregon Integrated and Coordinated Health Care Delivery System established by
6 ORS 414.570;

7 (b) Facilitate the exchange and sharing of electronic health-related information;

8 (c) Support improved health outcomes in this state;

9 (d) Promote accountability and transparency; and

10 (e) Support new payment models for coordinated care organizations and health systems.

11 (2) The [*authority*] **department** may engage in activities necessary to become accredited or
12 certified as a provider of health information technology and take actions associated with providing
13 health information technology.

14 (3) Subject to ORS 279A.050 (7), the [*authority*] **department** may enter into agreements with
15 other entities that provide health information technology to carry out the objectives of the Oregon
16 Health Information Technology program.

17 (4) The [*authority*] **department** may establish and enforce standards for connecting to and using
18 the Oregon Health Information Technology program, including standards for interoperability, pri-
19 vacy and security.

20 (5) The [*authority*] **department** may conduct or participate in activities to enable and promote
21 the secure transmission of electronic health information between users of different health informa-
22 tion technology systems, including activities in other states. The activities may include, but are not
23 limited to, participating in organizations or associations that manage and enforce agreements to
24 abide by a common set of standards, policies and practices applicable to health information tech-
25 nology systems.

26 (6) The [*authority*] **department** may, by rule, impose fees on entities or individuals that use the
27 program's services in order to pay the cost of administering the Oregon Health Information Tech-
28 nology program.

29 (7) The [*authority*] **department** may initiate one or more partnerships or participate in new or
30 existing collaboratives to establish and carry out the Oregon Health Information Technology
31 program's objectives. The [*authority's*] **department's** participation may include, but is not limited
32 to:

33 (a) Participating as a voting member in the governing body of a partnership or collaborative
34 that provides health information technology services;

35 (b) Paying dues or providing funding to partnerships or collaboratives;

36 (c) Entering into agreements, subject to ORS 279A.050 (7), with partnerships or collaboratives
37 with respect to participation and funding in order to establish the role of the [*authority*] **department**
38 and protect the interests of this state when the partnerships or collaboratives provide health infor-
39 mation technology services; or

40 (d) Transferring the implementation or management of one or more services offered by the
41 Oregon Health Information Technology program to a partnership or collaborative.

42 **SECTION 347.** ORS 413.430 is amended to read:

43 413.430. The Director of the Oregon [*Health Authority*] **Department of Health** shall require
44 each health licensing board in the Oregon [*Health Authority*] **Department of Health** to maintain a
45 register of the names and current addresses of all persons holding valid licenses, certificates of

1 registration or other evidence of authority required to practice the occupation or profession, or
 2 operate the facility within the jurisdiction of such board and periodically, as the director may re-
 3 quire, to file a copy of the register at the office of the [authority] **department**. Any board that is
 4 authorized or required to distribute a register described in this section may collect a fee to cover
 5 the costs of publication, such fee to be handled as other receipts of the board are handled.

6 **SECTION 348.** ORS 413.435 is amended to read:

7 413.435. (1) The Oregon [Health Authority] **Department of Health**, in collaboration with the
 8 State Workforce and Talent Development Board, shall convene a work group to develop standards
 9 for administrative requirements for student placement in clinical training settings in Oregon. The
 10 work group may include representatives of:

- 11 (a) State education agencies;
- 12 (b) A public educational institution offering health care professional training;
- 13 (c) Independent or proprietary educational institutions offering health care professional training;
- 14 (d) An employer of health care professionals; and
- 15 (e) The Health Care Workforce Committee established under ORS 413.017.

16 (2)(a) The work group shall develop standards for:

- 17 (A) Drug screening;
- 18 (B) Immunizations;
- 19 (C) Criminal records checks;
- 20 (D) Health Insurance Portability and Accountability Act orientation; and
- 21 (E) Other standards as the work group deems necessary.

22 (b) The standards must apply to students of nursing and allied health professions. The standards
 23 may apply to students of other health professions.

24 (c) The standards must pertain to clinical training in settings including but not limited to hos-
 25 pitals and ambulatory surgical centers, as those terms are defined in ORS 442.015.

26 (3) The work group shall make recommendations on the standards developed under this section
 27 and the initial and ongoing implementation of the standards to the Oregon Health Policy Board es-
 28 tablished in ORS 413.006.

29 (4) The [authority] **department** may establish by rule standards for student placement in clinical
 30 training settings that incorporate the standards developed under this section and approved by the
 31 Oregon Health Policy Board.

32 **SECTION 349.** ORS 413.450 is amended to read:

33 413.450. (1) The Oregon [Health Authority] **Department of Health** shall approve continuing ed-
 34 ucation opportunities relating to cultural competency.

35 (2) The [authority] **department** shall develop a list of continuing education opportunities relat-
 36 ing to cultural competency and make the list available to each board, as defined in ORS 676.850.

37 (3) The continuing education opportunities may include, but need not be limited to:

- 38 (a) Courses delivered either in person or electronically;
- 39 (b) Experiential learning such as cultural or linguistic immersion;
- 40 (c) Service learning; or
- 41 (d) Specially designed cultural experiences.

42 (4) The continuing education opportunities must teach attitudes, knowledge and skills that ena-
 43 ble a health care professional to care effectively for patients from diverse cultures, groups and
 44 communities, including but not limited to:

- 45 (a) Applying linguistic skills to communicate effectively with patients from diverse cultures,

1 groups and communities;

2 (b) Using cultural information to establish therapeutic relationships; and

3 (c) Eliciting, understanding and applying cultural and ethnic data in the process of clinical care.

4 (5) The [authority] **department** may accept gifts, grants or contributions from any public or
5 private source for the purpose of carrying out this section. Moneys received by the [authority] **de-**
6 **partment** under this subsection shall be deposited into the Oregon [Health Authority] **Department**
7 **of Health** Fund established by ORS 413.101.

8 (6) The [authority] **department** may contract with or award grant funding to a public or private
9 entity to develop the list of or offer approved continuing education opportunities relating to cultural
10 competency. The [authority] **department** is not subject to the requirements of ORS chapters 279A,
11 279B and 279C with respect to contracts entered into under this subsection.

12 **SECTION 350.** ORS 413.500 is amended to read:

13 413.500. (1) The Women, Infants and Children Program is established in the Oregon [Health
14 Authority] **Department of Health**. The purpose of the program is to serve as an adjunct to health
15 care by providing nutritious food, nutrition education and counseling, health screening and referral
16 services to pregnant and breast-feeding women and to infants and children in certain high-risk cat-
17 egories.

18 (2) The [authority] **department** shall adopt:

19 (a) Standards and procedures to guide administration of the program by the state in conformity
20 with federal requirements and to define the rights, responsibilities and legal procedures of program
21 vendors; and

22 (b) Rules necessary to implement and carry out the provisions of this section.

23 (3)(a) In addition to any other penalty provided by law, the [authority] **department** may assess
24 a civil penalty against any person for violation of any rule of the [authority] **department** relating
25 to the Women, Infants and Children Program. The [authority] **department** shall adopt by rule cri-
26 teria for the amount of civil penalties to be assessed under this section.

27 (b) All penalties recovered under this section shall be deposited into the Oregon [Health Au-
28 thority] **Department of Health** Fund and credited to an account designated by the [authority] **de-**
29 **partment**. Moneys deposited are appropriated continuously to the [authority] **department** and shall
30 be used only for the administration and enforcement of this section.

31 **SECTION 351.** ORS 413.520 is amended to read:

32 413.520. (1) The Oregon [Health Authority] **Department of Health**, in collaboration with county
33 representatives, shall develop a plan for the administration of the statewide gambling addiction
34 programs and delivery of program services.

35 (2) The [authority] **department** may appoint an advisory committee or designate an existing
36 advisory committee to make recommendations to the [authority] **department** concerning:

37 (a) Performance standards and evaluation methodology;

38 (b) Fiscal reporting and accountability;

39 (c) Delivery of services; and

40 (d) A distribution plan for use of available funds.

41 (3) The distribution plan for the moneys available in the Problem Gambling Treatment Fund
42 shall be based on performance standards.

43 (4) The [authority] **department** may enter into an intergovernmental agreement or other con-
44 tract, subject to ORS chapters 279A, 279B and 279C, for the delivery of services related to programs
45 for the prevention and treatment of gambling addiction and other emotional and behavioral problems

1 related to gambling.

2 (5) Before entering into an agreement or contract under subsection (4) of this section, the [*au-*
3 *thority*] **department** must consider the experience, performance and program capacity of those or-
4 ganizations currently providing services.

5 **SECTION 352.** ORS 413.522 is amended to read:

6 413.522. (1) There is established in the State Treasury, separate and distinct from the General
7 Fund, the Problem Gambling Treatment Fund. All moneys in the Problem Gambling Treatment Fund
8 are continuously appropriated to the Oregon [*Health Authority*] **Department of Health** to be ex-
9 pended for programs for the prevention and treatment of gambling addiction and other emotional
10 and behavioral problems related to gambling and for the administration of the programs.

11 (2) The Problem Gambling Treatment Fund shall consist of:

12 (a) The net proceeds from the Oregon State Lottery allocated to the fund under ORS 461.549;

13 (b) Moneys appropriated to the fund by the Legislative Assembly; and

14 (c) Interest earnings on moneys in the fund.

15 **SECTION 353.** ORS 413.550, as amended by section 8, chapter 453, Oregon Laws 2021, is
16 amended to read:

17 413.550. As used in ORS 413.550 to 413.559:

18 (1) “Certified health care interpreter” means an individual who has been approved and certified
19 by the Oregon [*Health Authority*] **Department of Health** under ORS 413.558.

20 (2) “Coordinated care organization” has the meaning given that term in ORS 414.025.

21 (3) “Health care” means medical, surgical, oral or hospital care or any other remedial care re-
22 cognized by state law, including physical and behavioral health care.

23 (4)(a) “Health care interpreter” means an individual who is readily able to:

24 (A) Communicate in English and communicate with a person with limited English proficiency
25 or who communicates in signed language;

26 (B) Accurately interpret the oral statements of a person with limited English proficiency, or the
27 statements of a person who communicates in signed language, into English;

28 (C) Accurately interpret oral statements in English to a person with limited English proficiency
29 or who communicates in signed language;

30 (D) Sight translate documents from a person with limited English proficiency; and

31 (E) Interpret the oral statements of other persons into the language of the person with limited
32 English proficiency or into signed language.

33 (b) “Health care interpreter” also includes an individual who can provide the services described
34 in paragraph (a) of this subsection using relay or indirect interpretation.

35 (5) “Health care interpreter registry” means the registry described in ORS 413.558 that is ad-
36 ministered by the [*authority*] **department**.

37 (6) “Health care provider” means any of the following that are reimbursed with public funds, in
38 whole or in part:

39 (a) An individual licensed or certified by the:

40 (A) State Board of Examiners for Speech-Language Pathology and Audiology;

41 (B) State Board of Chiropractic Examiners;

42 (C) State Board of Licensed Social Workers;

43 (D) Oregon Board of Licensed Professional Counselors and Therapists;

44 (E) Oregon Board of Dentistry;

45 (F) State Board of Massage Therapists;

- 1 (G) Oregon Board of Naturopathic Medicine;
- 2 (H) Oregon State Board of Nursing;
- 3 (I) Oregon Board of Optometry;
- 4 (J) State Board of Pharmacy;
- 5 (K) Oregon Medical Board;
- 6 (L) Occupational Therapy Licensing Board;
- 7 (M) Oregon Board of Physical Therapy;
- 8 (N) Oregon Board of Psychology;
- 9 (O) Board of Medical Imaging;
- 10 (P) State Board of Direct Entry Midwifery;
- 11 (Q) Respiratory Therapist and Polysomnographic Technologist Licensing Board;
- 12 (R) Board of Registered Polysomnographic Technologists;
- 13 (S) Board of Licensed Dietitians; and
- 14 (T) State Mortuary and Cemetery Board;
- 15 (b) An emergency medical services provider licensed by the Oregon [*Health Authority*] **Depart-**
- 16 **ment of Health** under ORS 682.216;
- 17 (c) A clinical laboratory licensed under ORS 438.110;
- 18 (d) A health care facility as defined in ORS 442.015;
- 19 (e) A home health agency licensed under ORS 443.015;
- 20 (f) A hospice program licensed under ORS 443.860; or
- 21 (g) Any other person that provides health care or that bills for or is compensated for health care
- 22 provided, in the normal course of business.
- 23 (7) “Interpretation service company” means an entity, or a person acting on behalf of an entity,
- 24 that is in the business of arranging for health care interpreters to work with health care providers
- 25 in this state.
- 26 (8) “Person with limited English proficiency” means a person who, by reason of place of birth
- 27 or culture, communicates in a language other than English and does not communicate in English
- 28 with adequate ability to communicate effectively with a health care provider.
- 29 (9) “Prepaid managed care health services organization” has the meaning given that term in
- 30 ORS 414.025.
- 31 (10) “Qualified health care interpreter” means an individual who has been issued a valid letter
- 32 of qualification from the [*authority*] **department** under ORS 413.558.
- 33 (11) “Sight translate” means to translate a written document into spoken or signed language.
- 34 **SECTION 354.** ORS 413.554 is amended to read:
- 35 413.554. (1) The Oregon Council on Health Care Interpreters is created in the Oregon [*Health*
- 36 *Authority*] **Department of Health**. The council shall consist of no more than 15 members, appointed
- 37 by the Director of the Oregon [*Health Authority*] **Department of Health**, representing:
- 38 (a) Persons with expertise and experience in the administration of or policymaking for programs
- 39 or services related to interpreters;
- 40 (b) Employers or contractors of health care interpreters;
- 41 (c) Health care interpreter training programs;
- 42 (d) Language access service providers; and
- 43 (e) Practicing certified and qualified health care interpreters.
- 44 (2) The membership of the council shall be appointed so as to be representative of the racial,
- 45 ethnic, cultural, social and economic diversity of the people of this state.

1 (3) The term of a member shall be three years. A member may be reappointed.

2 (4) If there is a vacancy for any cause, the director shall make an appointment to become im-
3 mediately effective for the unexpired term. The director may appoint a replacement for any member
4 of the council who misses more than two consecutive meetings of the council. The newly appointed
5 member shall represent the same group as the vacating member.

6 (5) The council shall select one member as chairperson and one member as vice chairperson, for
7 such terms and with duties and powers as the council determines necessary for the performance of
8 the functions of such offices.

9 (6) The council may establish such advisory and technical committees as it considers necessary
10 to aid and advise the council in the performance of its functions. The committees may be continuing
11 or temporary committees. The council shall determine the representation, membership, terms and
12 organization of the committees and shall appoint committee members.

13 (7) A majority of the members of the council shall constitute a quorum for the transaction of
14 business.

15 (8) Members of the council are not entitled to compensation, but at the discretion of the director
16 may be reimbursed for actual and necessary travel and other expenses incurred by them in the
17 performance of their official duties, subject to ORS 292.495.

18 (9) The council may accept contributions of funds and assistance from the United States Gov-
19 ernment or its agencies or from any other source, public or private, for purposes consistent with the
20 purposes of the council.

21 (10) The Oregon [*Health Authority*] **Department of Health** shall provide the council with such
22 services and employees as the council requires to carry out its duties.

23 **SECTION 355.** ORS 413.556, as amended by section 10, chapter 453, Oregon Laws 2021, is
24 amended to read:

25 413.556. The Oregon Council on Health Care Interpreters shall work in cooperation with the
26 Oregon [*Health Authority*] **Department of Health** to:

27 (1) Develop and approve testing, qualification and certification standards, consistent with na-
28 tional standards, for health care interpreters for persons with limited English proficiency and for
29 persons who communicate in signed language.

30 (2) Do all other acts as shall be necessary or appropriate under the provisions of ORS 413.550
31 to 413.559.

32 **SECTION 356.** ORS 413.558 is amended to read:

33 413.558. (1) In consultation with the Oregon Council on Health Care Interpreters, the Oregon
34 [*Health Authority*] **Department of Health** shall by rule establish procedures for testing, qualifica-
35 tion and certification of health care interpreters for persons with limited English proficiency or for
36 persons who communicate in signed language, including but not limited to:

37 (a) Minimum standards for qualification and certification as a health care interpreter, which
38 may be modified as necessary, including:

39 (A) Oral or signed language skills in English and in the language for which health care inter-
40 preter qualification or certification is granted; and

41 (B) Formal education or training in interpretation, medical behavioral or oral health terminol-
42 ogy, anatomy and physiology;

43 (b) Categories of expertise of health care interpreters based on the English and non-English
44 skills, or interpreting skills, and the medical terminology skills of the person seeking qualification
45 or certification;

1 (c) Procedures for receiving applications and for examining applicants for qualification or cer-
2 tification;

3 (d) The content and administration of required examinations;

4 (e) The requirements and procedures for reciprocity of qualification and certification for health
5 care interpreters qualified or certified in another state or territory of the United States or by an-
6 other certifying body in the United States; and

7 (f) Fees for application, examination, initial issuance, renewal and reciprocal acceptance of
8 qualification or certification as a health care interpreter if deemed necessary by the [authority] **de-**
9 **partment**.

10 (2) Any person seeking qualification or certification as a health care interpreter must submit
11 an application to the [authority] **department**. If the applicant meets the requirements for qualifica-
12 tion or certification established by the [authority] **department** under this section, the [authority]
13 **department** shall issue a letter of qualification or a certification to the health care interpreter. The
14 [authority] **department** shall notify a person of the [authority's] **department's** determination on the
15 person's application no later than 60 days after the date the application is received by the
16 [authority] **department**.

17 (3) The [authority] **department** shall work with other states, the federal government or profes-
18 sional organizations to develop educational and testing programs and procedures for the qualifica-
19 tion and certification of health care interpreters.

20 (4) In addition to the requirements for qualification established under subsection (1) of this
21 section, a person may be qualified as a health care interpreter only if the person:

22 (a) Is able to fluently interpret slang, idioms and specialized vocabulary in English and the
23 slang, idioms or specialized vocabulary of the non-English language for which qualification is sought;
24 and

25 (b) Has had at least 60 hours of health care interpreter training that includes anatomy and
26 physiology and concepts of health care interpretation.

27 (5) A person may not use the title of "qualified health care interpreter" in this state, or any
28 other title, designation, words, letters, abbreviation, sign or device tending to indicate that the
29 person is a qualified health care interpreter, unless the person has met the requirements for quali-
30 fication established under subsections (1) and (4) of this section and has been issued a valid letter
31 of qualification by the [authority] **department**.

32 (6) In addition to the requirements for certification established under subsection (1) of this sec-
33 tion, a person may be certified as a health care interpreter only if:

34 (a) The person has met all the requirements established under subsection (4) of this section; and

35 (b) The person has passed written and oral examinations required by the [authority] **department**
36 in English, in a non-English language or signed language and in medical terminology.

37 (7) A person may not use the title of "certified health care interpreter" in this state, or any
38 other title, designation, words, letters, abbreviation, sign or device tending to indicate that the
39 person is a certified health care interpreter, unless the person has met the requirements for certi-
40 fication established under subsections (1) and (6) of this section and has been issued a valid certi-
41 fication by the [authority] **department**.

42 (8) The [authority] **department** shall:

43 (a) Provide health care interpreter training and continuing education in accordance with stan-
44 dards adopted by the Oregon Council on Health Care Interpreters under ORS 413.556 to
45 professionalize the health care interpreter workforce in this state. The training may be provided at

1 no cost or, if not, must be affordable.

2 (b) Maintain a record of all health care interpreters who have completed an approved training
3 program.

4 (c) Establish and maintain a central registry for all health care interpreters who are qualified
5 or certified by the [authority] **department** and establish a process for health care interpreters to
6 biennially update their contact information and confirm their participation in the registry.

7 (d) Adopt rules to carry out the provisions of this section.

8 (9) The [authority] **department** shall provide the notice described in ORS 183.335 (1) to all cer-
9 tified and qualified health care interpreters listed on the registry prior to the adoption, amendment
10 or repeal of any rule concerning qualified or certified health care interpreter services.

11 **SECTION 357.** ORS 413.559 is amended to read:

12 413.559. (1) Except as provided in subsection (2) of this section, a health care provider shall
13 work with a health care interpreter from the health care interpreter registry administered by the
14 Oregon [Health Authority] **Department of Health** under ORS 413.558 when communicating with a
15 patient who prefers to communicate in a language other than English, unless the health care pro-
16 vider is a doctor or clinician who is proficient in the patient's preferred language.

17 (2) A health care provider who is otherwise required to work with a health care interpreter from
18 the health care interpreter registry may work with a health care interpreter who is not listed on
19 the health care interpreter registry only if the provider:

20 (a) Verifies, in the manner prescribed by rule by a board or agency described in ORS 413.561,
21 that the provider has taken appropriate steps needed to obtain a health care interpreter from the
22 health care interpreter registry in accordance with rules adopted by the [authority] **department**
23 under ORS 413.558; or

24 (b) Has offered the patient the services of a health care interpreter from the health care inter-
25 preter registry and the patient declined the offer and chose a different interpreter.

26 (3) A health care provider shall give personal protective equipment, consistent with established
27 national standards, to health care interpreters providing services on-site at no cost to the health
28 care interpreter and may not suggest to the health care interpreter that the health care interpreter
29 should procure the health care interpreter's own personal protective equipment as a condition of
30 working with the health care provider.

31 (4) A health care provider shall maintain records of each patient encounter in which the pro-
32 vider worked with a health care interpreter from the health care interpreter registry. The records
33 must include:

34 (a) The name of the health care interpreter;

35 (b) The health care interpreter's registry number; and

36 (c) The language interpreted.

37 (5) The boards and agencies described in ORS 413.561 shall adopt rules to carry out the pro-
38 visions of this section, which may include additional exemptions under subsection (2) of this section.

39 **SECTION 358.** ORS 413.560 is amended to read:

40 413.560. All moneys received by the Oregon Council on Health Care Interpreters under ORS
41 413.550 to 413.560 shall be paid into the Oregon [Health Authority] **Department of Health** Fund and
42 credited to an account designated by the [authority] **Oregon Department of Health**. Such moneys
43 shall be used only for the administration and enforcement of the provisions of ORS 413.550 to
44 413.560.

45 **SECTION 359.** ORS 413.561 is amended to read:

1 413.561. ORS 413.559 may be enforced by any means permitted under law by:

2 (1) A health professional regulatory board with respect to a health care provider under the ju-
3 risdiction of the board.

4 (2) The Oregon [*Health Authority*] **Department of Health** or the Department of Human Services
5 with regard to health care providers or facilities regulated by the [*authority*] **Oregon Department**
6 **of Health** or the Department of **Human Services** and health care providers enrolled in the medical
7 assistance program.

8 (3) The [*authority*] **Oregon Department of Health** with regard to emergency medical services
9 providers licensed under ORS 682.216 and clinical laboratories licensed under ORS 438.110.

10 **SECTION 360.** ORS 413.563 is amended to read:

11 413.563. (1) An interpretation service company operating in this state:

12 (a) Except as provided in paragraph (b) of this subsection, may not arrange for a health care
13 interpreter to provide interpretation services in health care settings if the health care interpreter
14 is not listed on the health care interpreter registry described in ORS 413.558.

15 (b) May arrange for a health care interpreter who is not listed on the health care interpreter
16 registry to provide interpretation services in health care settings only if:

17 (A) A health care provider represents to the interpretation service company that the health care
18 provider:

19 (i) Has taken appropriate steps necessary to arrange for a health care interpreter from the
20 health care interpreter registry in the manner prescribed by rule under ORS 413.559; and

21 (ii) Was unable to arrange for a health care interpreter from the health care interpreter regis-
22 try; and

23 (B) The interpretation service company does not employ a health care interpreter listed on the
24 health care interpreter registry who is available to provide interpretation services to the health
25 care provider.

26 (c) May not represent to a health care provider that a contracted or employed health care in-
27 terpreter referred by the company is a certified health care interpreter unless the interpreter has
28 met the requirements for certification under ORS 413.558 and has been issued a valid certification
29 by the [*authority*] **Oregon Department of Health**.

30 (d) May not require or suggest to a health care interpreter that the health care interpreter
31 procure the health care interpreter's own personal protective equipment as a condition of receiving
32 a referral.

33 (2) An interpretation service company shall maintain records of each encounter in which the
34 company refers to a health care provider worked with a health care interpreter from the health care
35 interpreter registry or a health care interpreter who is not on the registry. The records must in-
36 clude:

37 (a) The name of the health care interpreter; and

38 (b) The health care interpreter's registry number, if applicable.

39 **SECTION 361.** ORS 413.570 is amended to read:

40 413.570. (1) The Pain Management Commission is established within the Oregon [*Health Au-*
41 *thority*] **Department of Health**. The commission shall:

42 (a) Develop pain management recommendations;

43 (b) Develop ways to improve pain management services through research, policy analysis and
44 model projects; and

45 (c) Represent the concerns of patients in Oregon on issues of pain management to the Governor

1 and the Legislative Assembly.

2 (2) The pain management coordinator of the [*authority*] **department** shall serve as staff to the
3 commission.

4 **SECTION 362.** ORS 413.574 is amended to read:

5 413.574. (1) The Pain Management Commission shall consist of 19 members as follows:

6 (a) Seventeen members shall be appointed by the Director of the Oregon [*Health Authority*]
7 **Department of Health**. Prior to making appointments, the director shall request and consider rec-
8 ommendations from individuals and public and private agencies and organizations with experience
9 or a demonstrated interest in pain management issues, including but not limited to:

10 (A) Physicians licensed under ORS chapter 677 or organizations representing physicians;

11 (B) Nurses licensed under ORS chapter 678 or organizations representing nurses;

12 (C) Psychologists licensed under ORS 675.010 to 675.150 or organizations representing psychol-
13 ogists;

14 (D) Physician assistants licensed under ORS chapter 677 or organizations representing physician
15 assistants;

16 (E) Chiropractic physicians licensed under ORS chapter 684 or organizations representing
17 chiropractic physicians;

18 (F) Naturopaths licensed under ORS chapter 685 or organizations representing naturopaths;

19 (G) Clinical social workers licensed under ORS 675.530 or organizations representing clinical
20 social workers;

21 (H) Acupuncturists licensed under ORS 677.759;

22 (I) Pharmacists licensed under ORS chapter 689;

23 (J) Palliative care professionals or organizations representing palliative care professionals;

24 (K) Mental health professionals or organizations representing mental health professionals;

25 (L) Health care consumers or organizations representing health care consumers;

26 (M) Hospitals and health plans or organizations representing hospitals and health plans;

27 (N) Patients or advocacy groups representing patients;

28 (O) Dentists licensed under ORS chapter 679;

29 (P) Occupational therapists licensed under ORS 675.210 to 675.340;

30 (Q) Physical therapists licensed under ORS 688.010 to 688.201; and

31 (R) Members of the public.

32 (b) Two members shall be members of a legislative committee with jurisdiction over human
33 services issues, one appointed by the President of the Senate and one appointed by the Speaker of
34 the House of Representatives. Both members shall be nonvoting members of the commission.

35 (2) The term of office of each member is four years, but a member serves at the pleasure of the
36 appointing authority. Before the expiration of the term of a member, the appointing authority shall
37 appoint a successor whose term begins on July 1 next following. A member is eligible for reap-
38 pointment. If there is a vacancy for any cause, the appointing authority shall make an appointment
39 to become immediately effective for the unexpired term.

40 (3) Members of the commission are not entitled to compensation or reimbursement for expenses
41 and serve as volunteers on the commission.

42 **SECTION 363.** ORS 413.576 is amended to read:

43 413.576. (1) The Director of the Oregon [*Health Authority*] **Department of Health** shall select
44 one member of the Pain Management Commission as chairperson and another as vice chairperson,
45 for such terms and with duties and powers necessary for the performance of the functions of such

1 offices as the director determines.

2 (2) A majority of the voting members of the commission constitutes a quorum for the transaction
3 of business.

4 (3) The commission shall meet at least once every six months at a place, day and hour deter-
5 mined by the director. The commission also shall meet at other times and places specified by the
6 call of the chairperson or of a majority of the members of the commission.

7 **SECTION 364.** ORS 413.580 is amended to read:

8 413.580. There is established the Pain Management Fund in the Oregon [*Health Authority*] **De-**
9 **partment of Health** Fund established under ORS 413.101. All moneys credited to the Pain Man-
10 agement Fund are continuously appropriated for the purposes of ORS 413.570 to 413.599 to be
11 expended by the Pain Management Commission established under ORS 413.570.

12 **SECTION 365.** ORS 413.600 is amended to read:

13 413.600. (1) There is established within the Oregon [*Health Authority*] **Department of Health**
14 the Traditional Health Workers Commission.

15 (2) The Director of the Oregon [*Health Authority*] **Department of Health** shall appoint the fol-
16 lowing 24 members to serve on the commission:

17 (a) Fourteen members, of which a majority must be appointed from nominees selected by the
18 Oregon Community Health Workers Association, who represent traditional health workers, including
19 at least one member to represent each of the following:

20 (A) Community health workers, as defined in ORS 414.025;

21 (B) Personal health navigators, as defined in ORS 414.025;

22 (C) Peer wellness specialists, as defined in ORS 414.025;

23 (D) Peer support specialists, as defined in ORS 414.025;

24 (E) Doulas;

25 (F) Family support specialists, as defined in ORS 414.025;

26 (G) Youth support specialists, as defined in ORS 414.025; and

27 (H) Tribal traditional health workers, as defined in ORS 414.025;

28 (b) One member who represents the Office of Community Colleges and Workforce Development;

29 (c) One member who is a nurse who represents the Oregon Nurses Association;

30 (d) One member who is a physician licensed in this state;

31 (e) One member selected from nominees provided by the Home Care Commission;

32 (f) One member who represents coordinated care organizations;

33 (g) One member who represents a labor organization;

34 (h) One member who supervises traditional health workers at a community-based organization,
35 local health department, as defined in ORS 433.235, or agency, as defined in ORS 183.310;

36 (i) One member who represents community-based organizations or agencies, as defined in ORS
37 183.310, that provide for the training of traditional health workers;

38 (j) One member who represents a consumer of services provided by health workers who are not
39 licensed by this state; and

40 (k) One member who represents providers of Indian health services that work with traditional
41 health workers qualified under ORS 414.665, a federally recognized tribe or a tribal organization.

42 (3) In appointing members under subsection (2) of this section, the director shall consider
43 whether the composition of the Traditional Health Workers Commission represents the geographic,
44 ethnic, gender, racial, disability status, gender identity, sexual orientation and economic diversity
45 of traditional health workers.

1 (4) The term of office of each member of the commission is three years, but a member serves
2 at the pleasure of the director. Before the expiration of the term of a member, the director shall
3 appoint a successor whose term begins on January 1 next following. A member is eligible for re-
4 appointment. If there is a vacancy for any cause, the director shall make an appointment to become
5 immediately effective for the unexpired term.

6 (5) A majority of the members of the commission constitutes a quorum for the transaction of
7 business.

8 (6) Official action by the commission requires the approval of a majority of the members of the
9 commission.

10 (7) The commission shall elect one of its members to serve as chairperson.

11 (8) The commission shall meet at times and places specified by the call of the chairperson or
12 of a majority of the members of the commission.

13 (9) The commission may adopt rules necessary for the operation of the commission.

14 (10) A member of the commission is entitled to compensation and expenses as provided in ORS
15 292.495.

16 **SECTION 366.** ORS 413.610 is amended to read:

17 413.610. ORS 413.610 to 413.613 establish the COFA Premium Assistance Program to be admin-
18 istered by the Oregon [*Health Authority*] **Department of Health**. The purpose of the program is to
19 provide financial assistance to enable low-income citizens of the island nations in the Compact of
20 Free Association who are residing in Oregon to purchase qualified health plan coverage through the
21 health insurance exchange and to pay out-of-pocket costs associated with the coverage.

22 **SECTION 367.** ORS 413.612, as amended by section 2, chapter 87, Oregon Laws 2022, is
23 amended to read:

24 413.612. (1) An individual is eligible for the COFA Premium Assistance Program if the individual:

25 (a) Is a resident;

26 (b) Is a COFA citizen;

27 (c) Enrolls in a qualified health plan;

28 (d) Has income that is less than 138 percent of the federal poverty guidelines; and

29 (e) Qualifies for an advance premium tax credit toward the cost of the individual's qualified
30 health plan.

31 (2) Within the limits of moneys in the COFA Premium Assistance Program Fund, the Oregon
32 [*Health Authority*] **Department of Health** shall pay the premium cost for a qualified health plan and
33 the out-of-pocket costs for the coverage provided by the plan for an individual who meets the cri-
34 teria in subsection (1) of this section.

35 (3) The [*authority*] **department** may disenroll a participant from the program if the participant:

36 (a) No longer meets the eligibility criteria specified in subsection (1) of this section;

37 (b) Fails, without good cause, to comply with procedural or documentation requirements estab-
38 lished by the [*authority*] **department** in accordance with subsection (4) of this section;

39 (c) Fails, without good cause, to notify the [*authority*] **department** of a change of address in a
40 timely manner;

41 (d) Withdraws the participant's application or requests termination of coverage; or

42 (e) Performs an act, practice or omission that constitutes fraud and, as a result, an insurer
43 rescinds the participant's policy for the qualified health plan.

44 (4) The [*authority*] **department** shall establish:

45 (a) Application, enrollment and renewal processes for the COFA Premium Assistance Program;

1 (b) The qualified health plans that are eligible for reimbursement under the program;

2 (c) Procedural requirements for continued participation in the program, including participant
3 documentation requirements that are necessary for the [authority] **department** to administer the
4 program;

5 (d) Open enrollment periods and special enrollment periods consistent with the enrollment peri-
6 ods for the health insurance exchange; and

7 (e) A comprehensive community education and outreach campaign, working with stakeholder
8 and community organizations, to facilitate applications for, and enrollment in, the COFA Premium
9 Assistance Program established in ORS 413.610 and the COFA Dental Program established in section
10 1, chapter 87, Oregon Laws 2022.

11 **SECTION 368.** ORS 413.613 is amended to read:

12 413.613. The COFA Premium Assistance Program Fund is established in the State Treasury,
13 separate and distinct from the General Fund. Moneys in the COFA Premium Assistance Program
14 Fund are continuously appropriated to the Oregon [Health Authority] **Department of Health** for the
15 payment of premium costs and out-of-pocket costs through the COFA Premium Assistance Program
16 and the costs of the [authority] **department** in administering the program. Interest earned by the
17 fund shall be credited to the fund.

18 **SECTION 369.** ORS 413.800 is amended to read:

19 413.800. (1) As used in this section:

20 (a) "Adult foster home" has the meaning given that term in ORS 443.705.

21 (b) "Health care facility" has the meaning given that term in ORS 442.015.

22 (c) "Residential facility" has the meaning given that term in ORS 443.400.

23 (2) Every adult foster home, health care facility and residential facility licensed or registered
24 by the Oregon [Health Authority] **Department of Health** shall:

25 (a) Adopt a plan to provide for the safety of persons who are receiving care at or are residents
26 of the home or facility in the event of an emergency that requires immediate action by the staff of
27 the home or facility due to conditions of imminent danger that pose a threat to the life, health or
28 safety of persons who are receiving care at or are residents of the home or facility; and

29 (b) Provide training to all employees of the home or facility about the responsibilities of the
30 employees to implement the plan required by this section.

31 (3) The [authority] **department** shall adopt by rule the requirements for the plan and training
32 required by this section. The rules adopted shall include, but are not limited to, procedures for the
33 evacuation of the persons who are receiving care at or are residents of the adult foster home, health
34 care facility or residential facility to a place of safety when the conditions of imminent danger re-
35 quire relocation of those persons.

36 **SECTION 370.** ORS 414.018 is amended to read:

37 414.018. (1) It is the intention of the Legislative Assembly to achieve the goals of universal ac-
38 cess to an adequate level of high quality health care at an affordable cost.

39 (2) The Legislative Assembly finds:

40 (a) A significant level of public and private funds is expended each year for the provision of
41 health care to Oregonians;

42 (b) The state has a strong interest in assisting Oregon businesses and individuals to obtain
43 reasonably available insurance or other coverage of the costs of necessary basic health care ser-
44 vices;

45 (c) The lack of basic health care coverage is detrimental not only to the health of individuals

1 lacking coverage, but also to the public welfare and the state's need to encourage employment
2 growth and economic development, and the lack results in substantial expenditures for emergency
3 and remedial health care for all purchasers of health care including the state; and

4 (d) The use of integrated and coordinated health care systems has significant potential to reduce
5 the growth of health care costs incurred by the people of this state.

6 (3) The Legislative Assembly finds that achieving its goals of improving health, increasing the
7 quality, reliability, availability and continuity of care and reducing the cost of care requires an in-
8 tegrated and coordinated health care system in which:

9 (a) Medical assistance recipients and individuals who are dually eligible for both Medicare and
10 Medicaid participate.

11 (b) Health care services, other than Medicaid-funded long term care services, are delivered
12 through coordinated care contracts that use alternative payment methodologies to focus on pre-
13 vention, improving health equity and reducing health disparities, utilizing patient centered primary
14 care homes, behavioral health homes, evidence-based practices and health information technology
15 to improve health and health care.

16 (c) High quality information is collected and used to measure health outcomes, health care
17 quality and costs and clinical health information.

18 (d) Communities and regions are accountable for improving the health of their communities and
19 regions, reducing avoidable health gaps among different cultural groups and managing health care
20 resources.

21 (e) Care and services emphasize preventive services and services supporting individuals to live
22 independently at home or in their community.

23 (f) Services are person centered, and provide choice, independence and dignity reflected in in-
24 dividual plans and provide assistance in accessing care and services.

25 (g) Interactions between the Oregon [*Health Authority*] **Department of Health** and coordinated
26 care organizations are done in a transparent and public manner.

27 (h) Moneys provided by the federal government for medical education are allocated to the in-
28 stitutions that provide the education.

29 (4) The Legislative Assembly further finds that there is an extreme need for a skilled, diverse
30 workforce to meet the rapidly growing demand for community-based health care. To meet that need,
31 this state must:

32 (a) Build on existing training programs; and

33 (b) Provide an opportunity for frontline care providers to have a voice in their workplace in
34 order to effectively advocate for quality care.

35 (5) As used in subsection (3) of this section:

36 (a) "Community" means the groups within the geographic area served by a coordinated care
37 organization and includes groups that identify themselves by age, ethnicity, race, economic status,
38 or other defining characteristic that may impact delivery of health care services to the group, as
39 well as the governing body of each county located wholly or partially within the coordinated care
40 organization's service area.

41 (b) "Region" means the geographical boundaries of the area served by a coordinated care or-
42 ganization as well as the governing body of each county that has jurisdiction over all or part of the
43 coordinated care organization's service area.

44 **SECTION 371.** ORS 414.025 is amended to read:

45 414.025. As used in this chapter and ORS chapters 411 and 413, unless the context or a specially

1 applicable statutory definition requires otherwise:

2 (1)(a) “Alternative payment methodology” means a payment other than a fee-for-services pay-
3 ment, used by coordinated care organizations as compensation for the provision of integrated and
4 coordinated health care and services.

5 (b) “Alternative payment methodology” includes, but is not limited to:

6 (A) Shared savings arrangements;

7 (B) Bundled payments; and

8 (C) Payments based on episodes.

9 (2) “Behavioral health assessment” means an evaluation by a behavioral health clinician, in
10 person or using telemedicine, to determine a patient’s need for immediate crisis stabilization.

11 (3) “Behavioral health clinician” means:

12 (a) A licensed psychiatrist;

13 (b) A licensed psychologist;

14 (c) A licensed nurse practitioner with a specialty in psychiatric mental health;

15 (d) A licensed clinical social worker;

16 (e) A licensed professional counselor or licensed marriage and family therapist;

17 (f) A certified clinical social work associate;

18 (g) An intern or resident who is working under a board-approved supervisory contract in a
19 clinical mental health field; or

20 (h) Any other clinician whose authorized scope of practice includes mental health diagnosis and
21 treatment.

22 (4) “Behavioral health crisis” means a disruption in an individual’s mental or emotional stability
23 or functioning resulting in an urgent need for immediate outpatient treatment in an emergency de-
24 partment or admission to a hospital to prevent a serious deterioration in the individual’s mental or
25 physical health.

26 (5) “Behavioral health home” means a mental health disorder or substance use disorder treat-
27 ment organization, as defined by the Oregon [*Health Authority*] **Department of Health** by rule, that
28 provides integrated health care to individuals whose primary diagnoses are mental health disorders
29 or substance use disorders.

30 (6) “Category of aid” means assistance provided by the Oregon Supplemental Income Program,
31 aid granted under ORS 411.877 to 411.896 and 412.001 to 412.069 or federal Supplemental Security
32 Income payments.

33 (7) “Community health worker” means an individual who meets qualification criteria adopted
34 by the [*authority*] **department** under ORS 414.665 and who:

35 (a) Has expertise or experience in public health;

36 (b) Works in an urban or rural community, either for pay or as a volunteer in association with
37 a local health care system;

38 (c) To the extent practicable, shares ethnicity, language, socioeconomic status and life experi-
39 ences with the residents of the community the worker serves;

40 (d) Assists members of the community to improve their health and increases the capacity of the
41 community to meet the health care needs of its residents and achieve wellness;

42 (e) Provides health education and information that is culturally appropriate to the individuals
43 being served;

44 (f) Assists community residents in receiving the care they need;

45 (g) May give peer counseling and guidance on health behaviors; and

- 1 (h) May provide direct services such as first aid or blood pressure screening.
- 2 (8) “Coordinated care organization” means an organization meeting criteria adopted by the
3 Oregon [*Health Authority*] **Department of Health** under ORS 414.572.
- 4 (9) “Dually eligible for Medicare and Medicaid” means, with respect to eligibility for enrollment
5 in a coordinated care organization, that an individual is eligible for health services funded by Title
6 XIX of the Social Security Act and is:
- 7 (a) Eligible for or enrolled in Part A of Title XVIII of the Social Security Act; or
8 (b) Enrolled in Part B of Title XVIII of the Social Security Act.
- 9 (10)(a) “Family support specialist” means an individual who meets qualification criteria adopted
10 by the [*authority*] **department** under ORS 414.665 and who provides supportive services to and has
11 experience parenting a child who:
- 12 (A) Is a current or former consumer of mental health or addiction treatment; or
13 (B) Is facing or has faced difficulties in accessing education, health and wellness services due
14 to a mental health or behavioral health barrier.
- 15 (b) A “family support specialist” may be a peer wellness specialist or a peer support specialist.
- 16 (11) “Global budget” means a total amount established prospectively by the Oregon [*Health*
17 *Authority*] **Department of Health** to be paid to a coordinated care organization for the delivery of,
18 management of, access to and quality of the health care delivered to members of the coordinated
19 care organization.
- 20 (12) “Health insurance exchange” or “exchange” means an American Health Benefit Exchange
21 described in 42 U.S.C. 18031, 18032, 18033 and 18041.
- 22 (13) “Health services” means at least so much of each of the following as are funded by the
23 Legislative Assembly based upon the prioritized list of health services compiled by the Health Evi-
24 dence Review Commission under ORS 414.690:
- 25 (a) Services required by federal law to be included in the state’s medical assistance program in
26 order for the program to qualify for federal funds;
- 27 (b) Services provided by a physician as defined in ORS 677.010, a nurse practitioner licensed
28 under ORS 678.375, a behavioral health clinician or other licensed practitioner within the scope of
29 the practitioner’s practice as defined by state law, and ambulance services;
- 30 (c) Prescription drugs;
- 31 (d) Laboratory and X-ray services;
- 32 (e) Medical equipment and supplies;
- 33 (f) Mental health services;
- 34 (g) Chemical dependency services;
- 35 (h) Emergency dental services;
- 36 (i) Nonemergency dental services;
- 37 (j) Provider services, other than services described in paragraphs (a) to (i), (k), (L) and (m) of
38 this subsection, defined by federal law that may be included in the state’s medical assistance pro-
39 gram;
- 40 (k) Emergency hospital services;
- 41 (L) Outpatient hospital services; and
- 42 (m) Inpatient hospital services.
- 43 (14) “Income” has the meaning given that term in ORS 411.704.
- 44 (15)(a) “Integrated health care” means care provided to individuals and their families in a pa-
45 tient centered primary care home or behavioral health home by licensed primary care clinicians,

1 behavioral health clinicians and other care team members, working together to address one or more
2 of the following:

- 3 (A) Mental illness.
- 4 (B) Substance use disorders.
- 5 (C) Health behaviors that contribute to chronic illness.
- 6 (D) Life stressors and crises.
- 7 (E) Developmental risks and conditions.
- 8 (F) Stress-related physical symptoms.
- 9 (G) Preventive care.
- 10 (H) Ineffective patterns of health care utilization.

11 (b) As used in this subsection, “other care team members” includes but is not limited to:

12 (A) Qualified mental health professionals or qualified mental health associates meeting require-
13 ments adopted by the Oregon [*Health Authority*] **Department of Health** by rule;

14 (B) Peer wellness specialists;

15 (C) Peer support specialists;

16 (D) Community health workers who have completed a state-certified training program;

17 (E) Personal health navigators; or

18 (F) Other qualified individuals approved by the Oregon [*Health Authority*] **Department of**
19 **Health**.

20 (16) “Investments and savings” means cash, securities as defined in ORS 59.015, negotiable in-
21 struments as defined in ORS 73.0104 and such similar investments or savings as the Department **of**
22 **Human Services** or the [*authority*] **Oregon Department of Health** may establish by rule that are
23 available to the applicant or recipient to contribute toward meeting the needs of the applicant or
24 recipient.

25 (17) “Medical assistance” means so much of the medical, mental health, preventive, supportive,
26 palliative and remedial care and services as may be prescribed by the [*authority*] **department** ac-
27 cording to the standards established pursuant to ORS 414.065, including premium assistance under
28 ORS 413.610 to 413.613, 414.115 and 414.117, payments made for services provided under an insur-
29 ance or other contractual arrangement and money paid directly to the recipient for the purchase
30 of health services and for services described in ORS 414.710.

31 (18) “Medical assistance” includes any care or services for any individual who is a patient in
32 a medical institution or any care or services for any individual who has attained 65 years of age
33 or is under 22 years of age, and who is a patient in a private or public institution for mental dis-
34 eases. Except as provided in ORS 411.439 and 411.447, “medical assistance” does not include care
35 or services for a resident of a nonmedical public institution.

36 (19) “Patient centered primary care home” means a health care team or clinic that is organized
37 in accordance with the standards established by the Oregon [*Health Authority*] **Department of**
38 **Health** under ORS 414.655 and that incorporates the following core attributes:

39 (a) Access to care;

40 (b) Accountability to consumers and to the community;

41 (c) Comprehensive whole person care;

42 (d) Continuity of care;

43 (e) Coordination and integration of care; and

44 (f) Person and family centered care.

45 (20) “Peer support specialist” means any of the following individuals who meet qualification

1 criteria adopted by the [authority] **department** under ORS 414.665 and who provide supportive ser-
2 vices to a current or former consumer of mental health or addiction treatment:

3 (a) An individual who is a current or former consumer of mental health treatment; or

4 (b) An individual who is in recovery, as defined by the Oregon [Health Authority] **Department**
5 **of Health** by rule, from an addiction disorder.

6 (21) "Peer wellness specialist" means an individual who meets qualification criteria adopted by
7 the [authority] **department** under ORS 414.665 and who is responsible for assessing mental health
8 and substance use disorder service and support needs of a member of a coordinated care organiza-
9 tion through community outreach, assisting members with access to available services and re-
10 sources, addressing barriers to services and providing education and information about available
11 resources for individuals with mental health or substance use disorders in order to reduce stigma
12 and discrimination toward consumers of mental health and substance use disorder services and to
13 assist the member in creating and maintaining recovery, health and wellness.

14 (22) "Person centered care" means care that:

15 (a) Reflects the individual patient's strengths and preferences;

16 (b) Reflects the clinical needs of the patient as identified through an individualized assessment;
17 and

18 (c) Is based upon the patient's goals and will assist the patient in achieving the goals.

19 (23) "Personal health navigator" means an individual who meets qualification criteria adopted
20 by the [authority] **department** under ORS 414.665 and who provides information, assistance, tools
21 and support to enable a patient to make the best health care decisions in the patient's particular
22 circumstances and in light of the patient's needs, lifestyle, combination of conditions and desired
23 outcomes.

24 (24) "Prepaid managed care health services organization" means a managed dental care, mental
25 health or chemical dependency organization that contracts with the [authority] **department** under
26 ORS 414.654 or with a coordinated care organization on a prepaid capitated basis to provide health
27 services to medical assistance recipients.

28 (25) "Quality measure" means the health outcome and quality measures and benchmarks identi-
29 fied by the Health Plan Quality Metrics Committee and the metrics and scoring subcommittee in
30 accordance with ORS 413.017 (4) and 414.638 and the quality metrics developed by the Behavioral
31 Health Committee in accordance with ORS 413.017 (5).

32 (26) "Resources" has the meaning given that term in ORS 411.704. For eligibility purposes, "re-
33 sources" does not include charitable contributions raised by a community to assist with medical
34 expenses.

35 (27) "Tribal traditional health worker" means an individual who meets qualification criteria
36 adopted by the [authority] **department** under ORS 414.665 and who:

37 (a) Has expertise or experience in public health;

38 (b) Works in a tribal community or an urban Indian community, either for pay or as a volunteer
39 in association with a local health care system;

40 (c) To the extent practicable, shares ethnicity, language, socioeconomic status and life experi-
41 ences with the residents of the community the worker serves;

42 (d) Assists members of the community to improve their health, including physical, behavioral and
43 oral health, and increases the capacity of the community to meet the health care needs of its resi-
44 dents and achieve wellness;

45 (e) Provides health education and information that is culturally appropriate to the individuals

1 being served;

2 (f) Assists community residents in receiving the care they need;

3 (g) May give peer counseling and guidance on health behaviors; and

4 (h) May provide direct services, such as tribal-based practices.

5 (28)(a) “Youth support specialist” means an individual who meets qualification criteria adopted
6 by the [authority] **department** under ORS 414.665 and who, based on a similar life experience, pro-
7 vides supportive services to an individual who:

8 (A) Is not older than 30 years of age; and

9 (B)(i) Is a current or former consumer of mental health or addiction treatment; or

10 (ii) Is facing or has faced difficulties in accessing education, health and wellness services due
11 to a mental health or behavioral health barrier.

12 (b) A “youth support specialist” may be a peer wellness specialist or a peer support specialist.

13 **SECTION 372.** ORS 414.025, as amended by section 2, chapter 628, Oregon Laws 2021, is
14 amended to read:

15 414.025. As used in this chapter and ORS chapters 411 and 413, unless the context or a specially
16 applicable statutory definition requires otherwise:

17 (1)(a) “Alternative payment methodology” means a payment other than a fee-for-services pay-
18 ment, used by coordinated care organizations as compensation for the provision of integrated and
19 coordinated health care and services.

20 (b) “Alternative payment methodology” includes, but is not limited to:

21 (A) Shared savings arrangements;

22 (B) Bundled payments; and

23 (C) Payments based on episodes.

24 (2) “Behavioral health assessment” means an evaluation by a behavioral health clinician, in
25 person or using telemedicine, to determine a patient’s need for immediate crisis stabilization.

26 (3) “Behavioral health clinician” means:

27 (a) A licensed psychiatrist;

28 (b) A licensed psychologist;

29 (c) A licensed nurse practitioner with a specialty in psychiatric mental health;

30 (d) A licensed clinical social worker;

31 (e) A licensed professional counselor or licensed marriage and family therapist;

32 (f) A certified clinical social work associate;

33 (g) An intern or resident who is working under a board-approved supervisory contract in a
34 clinical mental health field; or

35 (h) Any other clinician whose authorized scope of practice includes mental health diagnosis and
36 treatment.

37 (4) “Behavioral health crisis” means a disruption in an individual’s mental or emotional stability
38 or functioning resulting in an urgent need for immediate outpatient treatment in an emergency de-
39 partment or admission to a hospital to prevent a serious deterioration in the individual’s mental or
40 physical health.

41 (5) “Behavioral health home” means a mental health disorder or substance use disorder treat-
42 ment organization, as defined by the Oregon [Health Authority] **Department of Health** by rule, that
43 provides integrated health care to individuals whose primary diagnoses are mental health disorders
44 or substance use disorders.

45 (6) “Category of aid” means assistance provided by the Oregon Supplemental Income Program,

1 aid granted under ORS 411.877 to 411.896 and 412.001 to 412.069 or federal Supplemental Security
2 Income payments.

3 (7) “Community health worker” means an individual who meets qualification criteria adopted
4 by the [authority] **department** under ORS 414.665 and who:

5 (a) Has expertise or experience in public health;

6 (b) Works in an urban or rural community, either for pay or as a volunteer in association with
7 a local health care system;

8 (c) To the extent practicable, shares ethnicity, language, socioeconomic status and life experi-
9 ences with the residents of the community the worker serves;

10 (d) Assists members of the community to improve their health and increases the capacity of the
11 community to meet the health care needs of its residents and achieve wellness;

12 (e) Provides health education and information that is culturally appropriate to the individuals
13 being served;

14 (f) Assists community residents in receiving the care they need;

15 (g) May give peer counseling and guidance on health behaviors; and

16 (h) May provide direct services such as first aid or blood pressure screening.

17 (8) “Coordinated care organization” means an organization meeting criteria adopted by the
18 Oregon [*Health Authority*] **Department of Health** under ORS 414.572.

19 (9) “Dually eligible for Medicare and Medicaid” means, with respect to eligibility for enrollment
20 in a coordinated care organization, that an individual is eligible for health services funded by Title
21 XIX of the Social Security Act and is:

22 (a) Eligible for or enrolled in Part A of Title XVIII of the Social Security Act; or

23 (b) Enrolled in Part B of Title XVIII of the Social Security Act.

24 (10)(a) “Family support specialist” means an individual who meets qualification criteria adopted
25 by the [authority] **department** under ORS 414.665 and who provides supportive services to and has
26 experience parenting a child who:

27 (A) Is a current or former consumer of mental health or addiction treatment; or

28 (B) Is facing or has faced difficulties in accessing education, health and wellness services due
29 to a mental health or behavioral health barrier.

30 (b) A “family support specialist” may be a peer wellness specialist or a peer support specialist.

31 (11) “Global budget” means a total amount established prospectively by the Oregon [*Health*
32 *Authority*] **Department of Health** to be paid to a coordinated care organization for the delivery of,
33 management of, access to and quality of the health care delivered to members of the coordinated
34 care organization.

35 (12) “Health insurance exchange” or “exchange” means an American Health Benefit Exchange
36 described in 42 U.S.C. 18031, 18032, 18033 and 18041.

37 (13) “Health services” means at least so much of each of the following as are funded by the
38 Legislative Assembly based upon the prioritized list of health services compiled by the Health Evi-
39 dence Review Commission under ORS 414.690:

40 (a) Services required by federal law to be included in the state’s medical assistance program in
41 order for the program to qualify for federal funds;

42 (b) Services provided by a physician as defined in ORS 677.010, a nurse practitioner licensed
43 under ORS 678.375, a behavioral health clinician or other licensed practitioner within the scope of
44 the practitioner’s practice as defined by state law, and ambulance services;

45 (c) Prescription drugs;

- 1 (d) Laboratory and X-ray services;
 2 (e) Medical equipment and supplies;
 3 (f) Mental health services;
 4 (g) Chemical dependency services;
 5 (h) Emergency dental services;
 6 (i) Nonemergency dental services;
 7 (j) Provider services, other than services described in paragraphs (a) to (i), (k), (L) and (m) of
 8 this subsection, defined by federal law that may be included in the state's medical assistance pro-
 9 gram;
 10 (k) Emergency hospital services;
 11 (L) Outpatient hospital services; and
 12 (m) Inpatient hospital services.
 13 (14) "Income" has the meaning given that term in ORS 411.704.
 14 (15)(a) "Integrated health care" means care provided to individuals and their families in a pa-
 15 tient centered primary care home or behavioral health home by licensed primary care clinicians,
 16 behavioral health clinicians and other care team members, working together to address one or more
 17 of the following:
 18 (A) Mental illness.
 19 (B) Substance use disorders.
 20 (C) Health behaviors that contribute to chronic illness.
 21 (D) Life stressors and crises.
 22 (E) Developmental risks and conditions.
 23 (F) Stress-related physical symptoms.
 24 (G) Preventive care.
 25 (H) Ineffective patterns of health care utilization.
 26 (b) As used in this subsection, "other care team members" includes but is not limited to:
 27 (A) Qualified mental health professionals or qualified mental health associates meeting require-
 28 ments adopted by the Oregon [*Health Authority*] **Department of Health** by rule;
 29 (B) Peer wellness specialists;
 30 (C) Peer support specialists;
 31 (D) Community health workers who have completed a state-certified training program;
 32 (E) Personal health navigators; or
 33 (F) Other qualified individuals approved by the Oregon [*Health Authority*] **Department of**
 34 **Health**.
 35 (16) "Investments and savings" means cash, securities as defined in ORS 59.015, negotiable in-
 36 struments as defined in ORS 73.0104 and such similar investments or savings as the Department of
 37 **Human Services** or the [*authority*] **department** may establish by rule that are available to the ap-
 38 plicant or recipient to contribute toward meeting the needs of the applicant or recipient.
 39 (17) "Medical assistance" means so much of the medical, mental health, preventive, supportive,
 40 palliative and remedial care and services as may be prescribed by the [*authority*] **department** ac-
 41 cording to the standards established pursuant to ORS 414.065, including premium assistance under
 42 ORS 413.610 to 413.613, 414.115 and 414.117, payments made for services provided under an insur-
 43 ance or other contractual arrangement and money paid directly to the recipient for the purchase
 44 of health services and for services described in ORS 414.710.
 45 (18) "Medical assistance" includes any care or services for any individual who is a patient in

1 a medical institution or any care or services for any individual who has attained 65 years of age
2 or is under 22 years of age, and who is a patient in a private or public institution for mental dis-
3 eases. Except as provided in ORS 411.439 and 411.447, “medical assistance” does not include care
4 or services for a resident of a nonmedical public institution.

5 (19) “Mental health drug” means a type of legend drug, as defined in ORS 414.325, specified by
6 the Oregon [*Health Authority*] **Department of Health** by rule, including but not limited to:

7 (a) Therapeutic class 7 ataractics-tranquilizers; and

8 (b) Therapeutic class 11 psychostimulants-antidepressants.

9 (20) “Patient centered primary care home” means a health care team or clinic that is organized
10 in accordance with the standards established by the Oregon [*Health Authority*] **Department of**
11 **Health** under ORS 414.655 and that incorporates the following core attributes:

12 (a) Access to care;

13 (b) Accountability to consumers and to the community;

14 (c) Comprehensive whole person care;

15 (d) Continuity of care;

16 (e) Coordination and integration of care; and

17 (f) Person and family centered care.

18 (21) “Peer support specialist” means any of the following individuals who meet qualification
19 criteria adopted by the [*authority*] **department** under ORS 414.665 and who provide supportive ser-
20 vices to a current or former consumer of mental health or addiction treatment:

21 (a) An individual who is a current or former consumer of mental health treatment; or

22 (b) An individual who is in recovery, as defined by the Oregon [*Health Authority*] **Department**
23 **of Health** by rule, from an addiction disorder.

24 (22) “Peer wellness specialist” means an individual who meets qualification criteria adopted by
25 the [*authority*] **department** under ORS 414.665 and who is responsible for assessing mental health
26 and substance use disorder service and support needs of a member of a coordinated care organiza-
27 tion through community outreach, assisting members with access to available services and re-
28 sources, addressing barriers to services and providing education and information about available
29 resources for individuals with mental health or substance use disorders in order to reduce stigma
30 and discrimination toward consumers of mental health and substance use disorder services and to
31 assist the member in creating and maintaining recovery, health and wellness.

32 (23) “Person centered care” means care that:

33 (a) Reflects the individual patient’s strengths and preferences;

34 (b) Reflects the clinical needs of the patient as identified through an individualized assessment;
35 and

36 (c) Is based upon the patient’s goals and will assist the patient in achieving the goals.

37 (24) “Personal health navigator” means an individual who meets qualification criteria adopted
38 by the [*authority*] **department** under ORS 414.665 and who provides information, assistance, tools
39 and support to enable a patient to make the best health care decisions in the patient’s particular
40 circumstances and in light of the patient’s needs, lifestyle, combination of conditions and desired
41 outcomes.

42 (25) “Prepaid managed care health services organization” means a managed dental care, mental
43 health or chemical dependency organization that contracts with the [*authority*] **department** under
44 ORS 414.654 or with a coordinated care organization on a prepaid capitated basis to provide health
45 services to medical assistance recipients.

1 (26) “Quality measure” means the health outcome and quality measures and benchmarks identi-
 2 fied by the Health Plan Quality Metrics Committee and the metrics and scoring subcommittee in
 3 accordance with ORS 413.017 (4) and 414.638 and the quality metrics developed by the Behavioral
 4 Health Committee in accordance with ORS 413.017 (5).

5 (27) “Resources” has the meaning given that term in ORS 411.704. For eligibility purposes, “re-
 6 sources” does not include charitable contributions raised by a community to assist with medical
 7 expenses.

8 (28) “Tribal traditional health worker” means an individual who meets qualification criteria
 9 adopted by the [authority] **department** under ORS 414.665 and who:

10 (a) Has expertise or experience in public health;

11 (b) Works in a tribal community or an urban Indian community, either for pay or as a volunteer
 12 in association with a local health care system;

13 (c) To the extent practicable, shares ethnicity, language, socioeconomic status and life experi-
 14 ences with the residents of the community the worker serves;

15 (d) Assists members of the community to improve their health, including physical, behavioral and
 16 oral health, and increases the capacity of the community to meet the health care needs of its resi-
 17 dents and achieve wellness;

18 (e) Provides health education and information that is culturally appropriate to the individuals
 19 being served;

20 (f) Assists community residents in receiving the care they need;

21 (g) May give peer counseling and guidance on health behaviors; and

22 (h) May provide direct services, such as tribal-based practices.

23 (29)(a) “Youth support specialist” means an individual who meets qualification criteria adopted
 24 by the [authority] **department** under ORS 414.665 and who, based on a similar life experience, pro-
 25 vides supportive services to an individual who:

26 (A) Is not older than 30 years of age; and

27 (B)(i) Is a current or former consumer of mental health or addiction treatment; or

28 (ii) Is facing or has faced difficulties in accessing education, health and wellness services due
 29 to a mental health or behavioral health barrier.

30 (b) A “youth support specialist” may be a peer wellness specialist or a peer support specialist.

31 **SECTION 373.** ORS 414.033 is amended to read:

32 414.033. The Oregon [Health Authority] **Department of Health** may:

33 (1) Subject to the allotment system provided for in ORS 291.234 to 291.260, expend such sums
 34 as are required to be expended in this state to provide medical assistance. Expenditures for medical
 35 assistance include, but are not limited to, expenditures for deductions, cost sharing, enrollment fees,
 36 premiums or similar charges imposed with respect to hospital insurance benefits or supplementary
 37 health insurance benefits, as established by federal law.

38 (2) Enter into agreements with, join with or accept grants from the federal government for co-
 39 operative research and demonstration projects for public welfare purposes, including, but not limited
 40 to, any project for:

41 (a) Providing medical assistance to individuals who are dually eligible for Medicare and
 42 Medicaid using global or alternative payment methodologies or integrated and coordinated health
 43 care and services; or

44 (b) Evaluating service delivery systems.

45 **SECTION 374.** ORS 414.034 is amended to read:

1 414.034. The Oregon [*Health Authority*] **Department of Health** shall accept federal Centers for
2 Medicare and Medicaid Services billing, reimbursement and reporting forms instead of department
3 billing, reimbursement and reporting forms if the federal forms contain substantially the same in-
4 formation as required by the department forms.

5 **SECTION 375.** ORS 414.041 is amended to read:

6 414.041. (1) The Oregon [*Health Authority*] **Department of Health**, under the direction of the
7 Oregon Health Policy Board and in collaboration with the Department of Human Services, shall
8 implement a streamlined and simple application process for the medical assistance and premium as-
9 sistance programs administered by the Oregon [*Health Authority*] **Department of Health**. The pro-
10 cess must meet the requirements of ORS 411.400, 411.402, 411.404, 411.406, 411.408 and 411.967.

11 (2) In developing the simplified application process, the [*authority*] **Oregon Department of**
12 **Health** shall consult with persons not employed by the [*authority*] **Oregon Department of Health**
13 who have experience in serving vulnerable and hard-to-reach populations.

14 (3) The [*authority*] **Oregon Department of Health** and the Department of Human Services
15 shall facilitate outreach and enrollment efforts to connect eligible individuals with all available
16 publicly funded health programs.

17 **SECTION 376.** ORS 414.044 is amended to read:

18 414.044. (1) As used in this section:

19 (a) “Uniformed service” means the Armed Forces of the United States, the Army National Guard
20 or the Air National Guard when the member is engaged in active duty for training, inactive duty
21 for training or full-time National Guard duty, the commissioned corps of the United States Public
22 Health Service and any other category of persons designated by the President of the United States
23 in time of war or national emergency.

24 (b) “Written information” means information that is in written form and includes but is not
25 limited to information obtained by electronic means, such as electronic mail, facsimile or other form
26 of electronic communication.

27 (2)(a) Subject to subsection (3) of this section, the Director of the Oregon [*Health Authority*]
28 **Department of Health** shall notify the Director of Veterans’ Affairs at least once each month re-
29 garding receipt of written information from a member or veteran of a uniformed service in con-
30 nection with an application for health care coverage.

31 (b) The notification required under this subsection is limited to notifying the Director of
32 Veterans’ Affairs of the name and residence address or mailing address of the member or veteran.

33 (c) The authorization of a member or veteran as required by subsection (3) of this section may
34 be contained in the written information at the time it is received by the Oregon [*Health Authority*]
35 **Department of Health** or separately at another time, but the authorization must specifically au-
36 thorize the notification to be made under this section.

37 (3) The Director of the Oregon [*Health Authority*] **Department of Health** shall notify the Di-
38 rector of Veterans’ Affairs as required by subsection (2) of this section only if authorized to do so
39 in writing by the member or veteran of a uniformed service.

40 (4) The Oregon [*Health Authority*] **Department of Health**, in consultation with the Department
41 of Veterans’ Affairs, shall adopt rules to implement the provisions of this section, including but not
42 limited to the method of notification required under subsection (2) of this section.

43 **SECTION 377.** ORS 414.065 is amended to read:

44 414.065. (1)(a) With respect to health care and services to be provided in medical assistance
45 during any period, the Oregon [*Health Authority*] **Department of Health** shall determine, subject

1 to such revisions as it may make from time to time and subject to legislative funding and paragraph
2 (b) of this subsection:

3 (A) The types and extent of health care and services to be provided to each eligible group of
4 recipients of medical assistance.

5 (B) Standards, including outcome and quality measures, to be observed in the provision of health
6 care and services.

7 (C) The number of days of health care and services toward the cost of which medical assistance
8 funds will be expended in the care of any person.

9 (D) Reasonable fees, charges, daily rates and global payments for meeting the costs of providing
10 health services to an applicant or recipient.

11 (E) Reasonable fees for professional medical and dental services which may be based on usual
12 and customary fees in the locality for similar services.

13 (F) The amount and application of any copayment or other similar cost-sharing payment that the
14 [authority] **department** may require a recipient to pay toward the cost of health care or services.

15 (b) The [authority] **department** shall adopt rules establishing timelines for payment of health
16 services under paragraph (a) of this subsection.

17 (2) The types and extent of health care and services and the amounts to be paid in meeting the
18 costs thereof, as determined and fixed by the [authority] **department** and within the limits of funds
19 available therefor, shall be the total available for medical assistance and payments for such medical
20 assistance shall be the total amounts from medical assistance funds available to providers of health
21 care and services in meeting the costs thereof.

22 (3) Except for payments under a cost-sharing plan, payments made by the [authority] **depart-**
23 **ment** for medical assistance shall constitute payment in full for all health care and services for
24 which such payments of medical assistance were made.

25 (4) Notwithstanding subsections (1) and (2) of this section, the Department of Human Services
26 shall be responsible for determining the payment for Medicaid-funded long term care services and
27 for contracting with the providers of long term care services.

28 (5) In determining a global budget for a coordinated care organization:

29 (a) The allocation of the payment, the risk and any cost savings shall be determined by the
30 governing body of the organization;

31 (b) The [authority] **Oregon Department of Health** shall consider the community health assess-
32 ment conducted by the organization in accordance with ORS 414.577 and reviewed annually, and the
33 organization's health care costs; and

34 (c) The [authority] **department** shall take into account the organization's provision of innova-
35 tive, nontraditional health services.

36 (6) Under the supervision of the Governor, the [authority] **Oregon Department of Health** may
37 work with the Centers for Medicare and Medicaid Services to develop, in addition to global budgets,
38 payment streams:

39 (a) To support improved delivery of health care to recipients of medical assistance; and

40 (b) That are funded by coordinated care organizations, counties or other entities other than the
41 state whose contributions qualify for federal matching funds under Title XIX or XXI of the Social
42 Security Act.

43 **SECTION 378.** ORS 414.066 is amended to read:

44 414.066. (1) A health care provider may not bill or solicit payment from a medical assistance
45 applicant or recipient for services, except for copayments or other charges authorized by the Oregon

1 *[Health Authority]* **Department of Health** by rule.

2 (2)(a) A health care provider that submits a claim for payment to the *[authority]* **department**
3 or a coordinated care organization shall wait to receive payment for at least 90 days after submit-
4 ting the claim before assigning the claim to a collection agency or similar entity to recover from
5 the patient.

6 (b) If the claim remains unpaid 90 days after a health care provider submits the claim to the
7 *[authority]* **department** or a coordinated care organization, the health care provider shall first query
8 the medical assistance program database to confirm the patient's eligibility for medical assistance.

9 (c) The health care provider may not assign the claim for collection if the *[authority]* **depart-**
10 **ment** confirms that the patient was eligible for medical assistance at the time the services were
11 provided.

12 **SECTION 379.** ORS 414.067 is amended to read:

13 414.067. (1) If the Oregon *[Health Authority]* **Department of Health** or the Department of Hu-
14 man Services requires a coordinated care organization to provide a service, paid for out of the
15 organization's global budget, that was previously reimbursed by the *[authority]* **Oregon Department**
16 **of Health** or the Department **of Human Services** on a fee-for-service basis, the *[authority]* **Oregon**
17 **Department of Health** or the Department **of Human Services** must provide the organization with
18 a statement of the costs incurred by the *[authority]* **Oregon Department of Health** or the Depart-
19 ment **of Human Services** in reimbursing the service during the three-year period prior to the
20 organization's assumption of the cost of the service.

21 (2) If the *[authority]* **Oregon Department of Health** or the Department **of Human Services**
22 requires a coordinated care organization to assume the cost of a service as described in subsection
23 (1) of this section, the *[authority]* **Oregon Department of Health** or the Department **of Human**
24 **Services** shall report to the Legislative Assembly, not later than February 1 of the following year,
25 a statement of the increased cost to the coordinated care organization of providing the service,
26 calculated as the average annual cost incurred by the *[authority]* **Oregon Department of Health**
27 or the Department **of Human Services** in reimbursing the service during the three-year period prior
28 to the organization's assumption of the cost of the service.

29 **SECTION 380.** ORS 414.071 is amended to read:

30 414.071. The Oregon *[Health Authority]* **Department of Health** and the Department of Human
31 Services shall approve or deny prior authorization requests for dental services not later than 30
32 days after submission thereof by the provider, and shall make payments to providers of prior au-
33 thorized dental services not later than 30 days after receipt of the invoice of the provider.

34 **SECTION 381.** ORS 414.072 is amended to read:

35 414.072. (1) As used in this section, "coordinated care organization" has the meaning given that
36 term in ORS 414.025.

37 (2) The Oregon *[Health Authority]* **Department of Health** shall compile and annually post to the
38 *[authority's]* **department's** website a report of the following information, in the aggregate, that was
39 reported to the *[authority]* **department** by coordinated care organizations regarding requests for
40 prior authorization received by coordinated care organizations or risk-bearing entities acting for or
41 in concert with coordinated care organizations:

42 (a) The number of requests received;

43 (b) The number of requests that were initially denied and the reasons for the denials, including,
44 but not limited to, lack of medical necessity or incomplete requests; and

45 (c) The number of denials that were reversed on an appeal.

1 **SECTION 382.** ORS 414.109 is amended to read:

2 414.109. (1) The Oregon Health Plan Fund is established, separate and distinct from the General
3 Fund. Interest earned by the Oregon Health Plan Fund shall be retained by the Oregon Health Plan
4 Fund.

5 (2) Moneys in the Oregon Health Plan Fund are continuously appropriated to the Department
6 of Human Services for the purposes of funding the maintenance and expansion of the number of
7 persons eligible for medical assistance under the Oregon Health Plan and funding the maintenance
8 of the benefits available under the Oregon Health Plan.

9 (3) On June 26, 2009, all moneys in the Oregon Health Plan Fund shall be transferred to the
10 Oregon [*Health Authority*] **Department of Health** Fund established in ORS 413.101.

11 **SECTION 383.** ORS 414.115 is amended to read:

12 414.115. (1) In lieu of providing one or more of the health care and services available under
13 medical assistance by direct payments to providers thereof and in lieu of providing such health care
14 and services made available pursuant to ORS 414.065, the Oregon [*Health Authority*] **Department**
15 **of Health** may use available medical assistance funds to purchase and pay premiums on policies of
16 insurance, or enter into and pay the expenses on health care service contracts, or medical or hos-
17 pital service contracts that provide one or more of the health care and services available under
18 medical assistance. Notwithstanding other specific provisions, the use of available medical assist-
19 ance funds to purchase health care and services may provide the following insurance or contract
20 options:

21 (a) Differing services or levels of service among groups of eligibles as defined by rules of the
22 [*authority*] **department**; and

23 (b) Services and reimbursement for these services may vary among contracts and need not be
24 uniform.

25 (2) The policy of insurance or the contract by its terms, or the insurer or contractor by written
26 acknowledgment to the [*authority*] **department** must guarantee:

27 (a) To provide health care and services of the type, within the extent and according to standards
28 prescribed under ORS 414.065;

29 (b) To pay providers of health care and services the amount due, based on the number of days
30 of care and the fees, charges and costs established under ORS 414.065, except as to medical or
31 hospital service contracts which employ a method of accounting or payment on other than a fee-
32 for-service basis;

33 (c) To provide health care and services under policies of insurance or contracts in compliance
34 with all laws, rules and regulations applicable thereto; and

35 (d) To provide such statistical data, records and reports relating to the provision, administration
36 and costs of providing health care and services to the [*authority*] **department** as may be required
37 by the [*authority*] **department** for its records, reports and audits.

38 (3) The [*authority*] **department** may purchase insurance under this section through the health
39 insurance exchange.

40 **SECTION 384.** ORS 414.117 is amended to read:

41 414.117. Subject to funds available, the Oregon [*Health Authority*] **Department of Health** may
42 provide medical assistance in the form of premium assistance for the purchase of health insurance
43 coverage provided by public programs or private insurance, including but not limited to medical
44 assistance described in ORS 414.115.

45 **SECTION 385.** ORS 414.125 is amended to read:

1 414.125. (1) Any payment of available medical assistance funds for policies of insurance or ser-
 2 vice contracts shall be according to such uniform area-wide rates as the Oregon [*Health Authority*]
 3 **Department of Health** shall have established and which it may revise from time to time as may
 4 be necessary or practical, except that, in the case of a research and demonstration project entered
 5 into under ORS 411.135 special rates may be established.

6 (2) No premium or other periodic charge on any policy of insurance, health care service con-
 7 tract, or medical or hospital service contract shall be paid from available medical assistance funds
 8 unless the insurer or contractor issuing such policy or contract is by law authorized to transact
 9 business as an insurance company, health care service contractor or hospital association in this
 10 state.

11 **SECTION 386.** ORS 414.135 is amended to read:

12 414.135. The Oregon [*Health Authority*] **Department of Health** may enter into nonexclusive
 13 contracts under which funds available for medical assistance may be administered and disbursed by
 14 the contractor to direct providers of medical and remedial care and services available under medical
 15 assistance in consideration of services rendered and supplies furnished by them in accordance with
 16 the provisions of this chapter. Payment shall be made according to the rules of the [*authority*] **de-**
 17 **partment** pursuant to the number of days and the fees, charges and costs established under ORS
 18 414.065. The contractor must guarantee the [*authority*] **department** by written acknowledgment:

19 (1) To make all payments under this chapter promptly but not later than 30 days after receipt
 20 of the proper evidence establishing the validity of the provider's claim.

21 (2) To provide such data, records and reports to the [*authority*] **department** as may be required
 22 by the [*authority*] **department**.

23 **SECTION 387.** ORS 414.145 is amended to read:

24 414.145. (1) The provisions of ORS 414.115, 414.125 or 414.135 shall be implemented whenever it
 25 appears to the Oregon [*Health Authority*] **Department of Health** that such implementation will
 26 provide comparable benefits at equal or less cost than provision thereof by direct payments by the
 27 [*authority*] **department** to the providers of medical assistance, but in no case greater than the
 28 legislatively approved budgeted cost per eligible recipient at the time of contracting.

29 (2) When determining comparable benefits at equal or less cost as provided in subsection (1) of
 30 this section, the [*authority*] **department** must take into consideration the recipients' need for rea-
 31 sonable access to preventive and remedial care, and the contractor's ability to assure continuous
 32 quality delivery of both routine and emergency services.

33 **SECTION 388.** ORS 414.153 is amended to read:

34 414.153. In order to make advantageous use of the system of public health care and services
 35 available through local health departments and other publicly supported programs and to ensure
 36 access to public health care and services through contract under ORS chapter 414, the state shall:

37 (1) Unless cause can be shown why such an agreement is not feasible, require and approve
 38 agreements between coordinated care organizations and publicly funded providers for authorization
 39 of payment for point of contact services in the following categories:

40 (a) Immunizations;

41 (b) Sexually transmitted infections; and

42 (c) Other communicable diseases;

43 (2) Allow members of coordinated care organizations to receive from fee-for-service providers:

44 (a) Family planning services;

45 (b) Human immunodeficiency virus and acquired immune deficiency syndrome prevention ser-

1 vices; and

2 (c) Maternity case management if the Oregon [*Health Authority*] **Department of Health** deter-
 3 mines that a coordinated care organization cannot adequately provide the services;

4 (3) Encourage and approve agreements between coordinated care organizations and publicly
 5 funded providers for authorization of and payment for services in the following categories:

6 (a) Maternity case management;

7 (b) Well-child care;

8 (c) Prenatal care;

9 (d) School-based clinics;

10 (e) Health care and services for children provided through schools and Head Start programs;
 11 and

12 (f) Screening services to provide early detection of health care problems among low income
 13 women and children, migrant workers and other special population groups; and

14 (4) Recognize the responsibility of counties under ORS 430.620 to operate community mental
 15 health programs by requiring a written agreement between each coordinated care organization and
 16 the local mental health authority in the area served by the coordinated care organization, unless
 17 cause can be shown why such an agreement is not feasible under criteria established by the Oregon
 18 [*Health Authority*] **Department of Health**. The written agreements:

19 (a) May not prevent coordinated care organizations from contracting with other public or pri-
 20 vate providers for mental health or chemical dependency services;

21 (b) Must include agreed upon outcomes; and

22 (c) Must describe the authorization and payments necessary to maintain the mental health safety
 23 net system and to maintain the efficient and effective management of the following responsibilities
 24 of local mental health authorities, with respect to the service needs of members of the coordinated
 25 care organization:

26 (A) Management of children and adults at risk of entering or who are transitioning from the
 27 Oregon State Hospital or from residential care;

28 (B) Care coordination of residential services and supports for adults and children;

29 (C) Management of the mental health crisis system;

30 (D) Management of community-based specialized services, including but not limited to supported
 31 employment and education, early psychosis programs, assertive community treatment or other types
 32 of intensive case management programs and home-based services for children; and

33 (E) Management of specialized services to reduce recidivism of individuals with mental illness
 34 in the criminal justice system.

35 **SECTION 389.** ORS 414.211 is amended to read:

36 414.211. (1) There is established a Medicaid Advisory Committee consisting of not more than 15
 37 members appointed by the Governor.

38 (2) The committee shall be composed of:

39 (a) A physician licensed under ORS chapter 677;

40 (b) Two members of health care consumer groups that include Medicaid recipients;

41 (c) Two Medicaid recipients, one of whom shall be a person with a disability;

42 (d) The Director of the Oregon [*Health Authority*] **Department of Health** or designee;

43 (e) The Director of Human Services or designee;

44 (f) Health care providers;

45 (g) Persons associated with health care organizations, including but not limited to coordinated

1 care organizations under contract to the Medicaid program; and

2 (h) Members of the general public.

3 (3) In making appointments, the Governor shall consult with appropriate professional and other
4 interested organizations. All members appointed to the committee shall be familiar with the medical
5 needs of low income persons.

6 (4) The term of office for each member shall be two years, but each member shall serve at the
7 pleasure of the Governor.

8 (5) Members of the committee shall receive no compensation for their services but, subject to
9 any applicable state law, shall be allowed actual and necessary travel expenses incurred in the
10 performance of their duties from the Oregon [*Health Authority*] **Department of Health** Fund.

11 **SECTION 390.** ORS 414.221 is amended to read:

12 414.221. The Medicaid Advisory Committee shall advise the Director of the Oregon [*Health Au-*
13 *thority*] **Department of Health** and the Director of Human Services on:

14 (1) Medical care, including mental health and alcohol and drug treatment and remedial care to
15 be provided under ORS chapter 414; and

16 (2) The operation and administration of programs provided under ORS chapter 414.

17 **SECTION 391.** ORS 414.225 is amended to read:

18 414.225. The Oregon [*Health Authority*] **Department of Health** shall consult with the Medicaid
19 Advisory Committee concerning the determinations required under ORS 414.065.

20 **SECTION 392.** ORS 414.227 is amended to read:

21 414.227. (1) ORS 192.610 to 192.690 apply to any meeting of an advisory committee with the au-
22 thority to make decisions for, conduct policy research for or make recommendations to the Oregon
23 [*Health Authority*] **Department of Health**, the Oregon Health Policy Board or the Department of
24 Human Services on administration or policy related to the medical assistance program operated
25 under this chapter.

26 (2) Subsection (1) of this section applies only to advisory committee meetings attended by two
27 or more advisory committee members who are not employed by a public body.

28 **SECTION 393.** ORS 414.231 is amended to read:

29 414.231. (1) As used in this section:

30 (a) "Adult" means a person 19 years of age or older.

31 (b) "Child" means a person under 19 years of age.

32 (2) The Cover All People program is established to make affordable, accessible health care
33 available to all residents in this state. The program provides medical assistance, funded in whole
34 or in part by Title XIX of the Social Security Act, by the State Children's Health Insurance Program
35 under Title XXI of the Social Security Act or by moneys appropriated or allocated by the Legislative
36 Assembly to supplement funds received under Title XIX or XXI of the Social Security Act.

37 (3) A child is eligible for medical assistance under subsection (2) of this section if the child re-
38 sides in this state and the income of the child's family is at or below 300 percent of the federal
39 poverty guidelines.

40 (4) An adult is eligible for medical assistance under subsection (2) of this section if the adult
41 resides in this state and would be eligible for medical assistance but for the adult's immigration
42 status.

43 (5) There is no asset limit to qualify for the program.

44 (6)(a) A child receiving medical assistance through the Cover All People program is continuously
45 eligible for a minimum period of 12 months or until the child reaches 19 years of age, whichever

1 comes first.

2 (b) The Department of Human Services or the Oregon [*Health Authority*] **Department of Health**
3 shall reenroll a child for successive 12-month periods of enrollment as long as the child is eligible
4 for medical assistance on the date of reenrollment and the child has not yet reached 19 years of age.

5 (c) A child may not be required to submit a new application as a condition of reenrollment under
6 paragraph (b) of this subsection.

7 (7) The Department **of Human Services** or the [*authority*] **Oregon Department of Health** must
8 determine eligibility for or reenrollment in medical assistance under this section using information
9 and sources available to [*the department or the authority*] **each department**. If information and
10 sources available to [*the department or the authority*] **each department** are not adequate to verify
11 eligibility, the Department **of Human Services** or the [*authority*] **Oregon Department of Health**
12 may require the adult or a child's caretaker to provide additional documentation in accordance with
13 ORS 411.400 and 411.402. Information requested or obtained by [*the department or the authority*] **each**
14 **department** under this subsection is subject to the requirements of ORS 410.150 and 413.175.

15 **SECTION 394.** ORS 414.312 is amended to read:

16 414.312. (1) As used in ORS 414.312 to 414.318:

17 (a) "Pharmacy benefit manager" means an entity that negotiates and executes contracts with
18 pharmacies, manages preferred drug lists, negotiates rebates with prescription drug manufacturers
19 and serves as an intermediary between the Oregon Prescription Drug Program, prescription drug
20 manufacturers and pharmacies.

21 (b) "Prescription drug claims processor" means an entity that processes and pays prescription
22 drug claims, adjudicates pharmacy claims, transmits prescription drug prices and claims data be-
23 tween pharmacies and the Oregon Prescription Drug Program and processes related payments to
24 pharmacies.

25 (c) "Program price" means the reimbursement rates and prescription drug prices established by
26 the administrator of the Oregon Prescription Drug Program.

27 (2) The Oregon Prescription Drug Program is established in the Oregon [*Health Authority*] **De-**
28 **partment of Health**. The purpose of the program is to:

29 (a) Purchase prescription drugs, replenish prescription drugs dispensed or reimburse pharmacies
30 for prescription drugs in order to receive discounted prices and rebates;

31 (b) Make prescription drugs available at the lowest possible cost to participants in the program
32 as a means to promote health;

33 (c) Maintain a list of prescription drugs recommended as the most effective prescription drugs
34 available at the best possible prices; and

35 (d) Promote health through the purchase and provision of discount prescription drugs and co-
36 ordination of comprehensive prescription benefit services for eligible entities and members.

37 (3) The Director of the Oregon [*Health Authority*] **Department of Health** shall appoint an ad-
38 ministrator of the Oregon Prescription Drug Program. The administrator may:

39 (a) Negotiate price discounts and rebates on prescription drugs with prescription drug man-
40 ufacturers or group purchasing organizations;

41 (b) Purchase prescription drugs on behalf of individuals and entities that participate in the
42 program;

43 (c) Contract with a prescription drug claims processor to adjudicate pharmacy claims and
44 transmit program prices to pharmacies;

45 (d) Determine program prices and reimburse or replenish pharmacies for prescription drugs

1 dispensed or transferred;

2 (e) Adopt and implement a preferred drug list for the program;

3 (f) Develop a system for allocating and distributing the operational costs of the program and any
4 rebates obtained to participants of the program; and

5 (g) Cooperate with other states or regional consortia in the bulk purchase of prescription drugs.

6 (4) The following individuals or entities may participate in the program:

7 (a) Public Employees' Benefit Board, Oregon Educators Benefit Board and Public Employees
8 Retirement System;

9 (b) Local governments as defined in ORS 174.116 and special government bodies as defined in
10 ORS 174.117 that directly or indirectly purchase prescription drugs;

11 (c) Oregon Health and Science University established under ORS 353.020;

12 (d) State agencies that directly or indirectly purchase prescription drugs, including agencies that
13 dispense prescription drugs directly to persons in state-operated facilities;

14 (e) Residents of this state who lack or are underinsured for prescription drug coverage;

15 (f) Private entities; and

16 (g) Labor organizations.

17 (5) The administrator may establish different program prices for pharmacies in rural areas to
18 maintain statewide access to the program.

19 (6) The administrator may establish the terms and conditions for a pharmacy to enroll in the
20 program. A licensed pharmacy that is willing to accept the terms and conditions established by the
21 administrator may apply to enroll in the program.

22 (7) Except as provided in subsection (8) of this section, the administrator may not:

23 (a) Contract with a pharmacy benefit manager;

24 (b) Establish a state-managed wholesale or retail drug distribution or dispensing system; or

25 (c) Require pharmacies to maintain or allocate separate inventories for prescription drugs dis-
26 pensed through the program.

27 (8) The administrator shall contract with one or more entities to perform any of the functions
28 of the program, including but not limited to:

29 (a) Contracting with a pharmacy benefit manager and directly or indirectly with such pharmacy
30 networks as the administrator considers necessary to maintain statewide access to the program.

31 (b) Negotiating with prescription drug manufacturers on behalf of the administrator.

32 (9) Notwithstanding subsection (4)(e) of this section, individuals who are eligible for Medicare
33 Part D prescription drug coverage may participate in the program.

34 (10) The program may contract with vendors as necessary to utilize discount purchasing pro-
35 grams, including but not limited to group purchasing organizations established to meet the criteria
36 of the Nonprofit Institutions Act, 15 U.S.C. 13c, or that are exempt under the Robinson-Patman Act,
37 15 U.S.C. 13.

38 **SECTION 395.** ORS 414.314 is amended to read:

39 414.314. (1) An individual or entity described in ORS 414.312 (4) may apply to participate in the
40 Oregon Prescription Drug Program. Participants shall apply on an application provided by the
41 Oregon [Health Authority] **Department of Health**. The [authority] **department** may charge partic-
42 ipants a nominal fee to participate in the program. The [authority] **department** shall issue a pre-
43 scription drug identification card to participants of the program.

44 (2) The [authority] **department** shall provide a mechanism to calculate and transmit the program
45 prices for prescription drugs to a pharmacy. The pharmacy shall charge the participant the program

1 price for a prescription drug.

2 (3) A pharmacy may charge the participant the professional dispensing fee set by the
3 *[authority]* **department**.

4 (4) Prescription drug identification cards issued under this section must contain the information
5 necessary for proper claims adjudication or transmission of price data.

6 **SECTION 396.** ORS 414.318 is amended to read:

7 414.318. The Prescription Drug Purchasing Fund is established separate and distinct from the
8 General Fund. The Prescription Drug Purchasing Fund shall consist of moneys appropriated to the
9 fund by the Legislative Assembly and moneys received by the Oregon *[Health Authority]* **Depart-**
10 **ment of Health** for the purposes established in this section in the form of gifts, grants, bequests,
11 endowments or donations. The moneys in the Prescription Drug Purchasing Fund are continuously
12 appropriated to the *[authority]* **department** and shall be used to purchase prescription drugs, reim-
13 burse pharmacies for prescription drugs and reimburse the *[authority]* **department** for the costs of
14 administering the Oregon Prescription Drug Program, including contracted services costs, computer
15 costs, professional dispensing fees paid to retail pharmacies and other reasonable program costs.
16 Interest earned on the fund shall be credited to the fund.

17 **SECTION 397.** ORS 414.320 is amended to read:

18 414.320. The Oregon *[Health Authority]* **Department of Health** shall adopt rules to implement
19 and administer ORS 414.312 to 414.318. The rules shall include but are not limited to establishing
20 procedures for:

21 (1) Issuing prescription drug identification cards to individuals and entities that participate in
22 the Oregon Prescription Drug Program; and

23 (2) Enrolling pharmacies in the program.

24 **SECTION 398.** ORS 414.325 is amended to read:

25 414.325. (1) As used in this section:

26 (a) "Legend drug" means any drug requiring a prescription by a practitioner, as defined in ORS
27 689.005.

28 (b) "Urgent medical condition" means a medical condition that arises suddenly, is not life-
29 threatening and requires prompt treatment to avoid the development of more serious medical prob-
30 lems.

31 (2) A licensed practitioner may prescribe such drugs under this chapter as the practitioner in
32 the exercise of professional judgment considers appropriate for the diagnosis or treatment of the
33 patient in the practitioner's care and within the scope of practice. Prescriptions shall be dispensed
34 in the generic form pursuant to ORS 689.515 and pursuant to rules of the Oregon *[Health*
35 *Authority]* **Department of Health** unless the practitioner prescribes otherwise and an exception is
36 granted by the *[authority]* **department**.

37 (3) Except as provided in subsections (4) and (5) of this section, the *[authority]* **department** shall
38 place no limit on the type of legend drug that may be prescribed by a practitioner, but the
39 *[authority]* **department** shall pay only for drugs in the generic form unless an exception has been
40 granted by the *[authority]* **department**.

41 (4) Notwithstanding subsection (3) of this section, an exception must be applied for and granted
42 before the *[authority]* **department** is required to pay for minor tranquilizers and amphetamines and
43 amphetamine derivatives, as defined by rule of the *[authority]* **department**.

44 (5)(a) Notwithstanding subsections (1) to (4) of this section and except as provided in paragraph
45 (b) of this subsection, the *[authority]* **department** is authorized to:

1 (A) Withhold payment for a legend drug when federal financial participation is not available;
2 and

3 (B) Require prior authorization of payment for drugs that the [authority] **department** has de-
4 termined should be limited to those conditions generally recognized as appropriate by the medical
5 profession.

6 (b) The [authority] **department** may not require prior authorization for therapeutic classes of
7 nonседating antihistamines and nasal inhalers, as defined by rule by the [authority] **department**,
8 when prescribed by an allergist for treatment of any of the following conditions, as described by the
9 Health Evidence Review Commission on the funded portion of its prioritized list of services:

10 (A) Asthma;

11 (B) Sinusitis;

12 (C) Rhinitis; or

13 (D) Allergies.

14 (6) The [authority] **department** shall pay a rural health clinic for a legend drug prescribed and
15 dispensed under this chapter by a licensed practitioner at the rural health clinic for an urgent
16 medical condition if:

17 (a) There is not a pharmacy within 15 miles of the clinic;

18 (b) The prescription is dispensed for a patient outside of the normal business hours of any
19 pharmacy within 15 miles of the clinic; or

20 (c) No pharmacy within 15 miles of the clinic dispenses legend drugs under this chapter.

21 (7) Notwithstanding ORS 414.334, the [authority] **department** may conduct prospective drug
22 utilization review in accordance with ORS 414.351 to 414.414.

23 (8) Notwithstanding subsection (3) of this section, the [authority] **department** may pay a phar-
24 macy for a particular brand name drug rather than the generic version of the drug after notifying
25 the pharmacy that the cost of the particular brand name drug, after receiving discounted prices and
26 rebates, is equal to or less than the cost of the generic version of the drug.

27 (9)(a) Within 180 days after the United States patent expires on an immunosuppressant drug
28 used in connection with an organ transplant, the [authority] **department** shall determine whether
29 the drug is a narrow therapeutic index drug.

30 (b) As used in this subsection, “narrow therapeutic index drug” means a drug that has a narrow
31 range in blood concentrations between efficacy and toxicity and requires therapeutic drug concen-
32 tration or pharmacodynamic monitoring.

33 **SECTION 399.** ORS 414.325, as amended by section 3, chapter 628, Oregon Laws 2021, is
34 amended to read:

35 414.325. (1) As used in this section:

36 (a) “Legend drug” means any drug requiring a prescription by a practitioner, as defined in ORS
37 689.005.

38 (b) “Urgent medical condition” means a medical condition that arises suddenly, is not life-
39 threatening and requires prompt treatment to avoid the development of more serious medical prob-
40 lems.

41 (2) A licensed practitioner may prescribe such drugs under this chapter as the practitioner in
42 the exercise of professional judgment considers appropriate for the diagnosis or treatment of the
43 patient in the practitioner’s care and within the scope of practice. Prescriptions shall be dispensed
44 in the generic form pursuant to ORS 689.515 and pursuant to rules of the Oregon [Health
45 Authority] **Department of Health** unless the practitioner prescribes otherwise and an exception is

1 granted by the [authority] **department**.

2 (3) Except as provided in subsections (4) and (5) of this section, the [authority] **department** shall
3 place no limit on the type of legend drug that may be prescribed by a practitioner, but the
4 [authority] **department** shall pay only for drugs in the generic form unless an exception has been
5 granted by the [authority] **department**.

6 (4) Notwithstanding subsection (3) of this section, an exception must be applied for and granted
7 before the [authority] **department** is required to pay for minor tranquilizers and amphetamines and
8 amphetamine derivatives, as defined by rule of the [authority] **department**.

9 (5)(a) Notwithstanding subsections (1) to (4) of this section and except as provided in paragraph
10 (b) of this subsection, the [authority] **department** is authorized to:

11 (A) Withhold payment for a legend drug when federal financial participation is not available;
12 and

13 (B) Require prior authorization of payment for drugs that the [authority] **department** has de-
14 termined should be limited to those conditions generally recognized as appropriate by the medical
15 profession.

16 (b) The [authority] **department** may not require prior authorization for:

17 (A) Therapeutic classes of nonsedating antihistamines and nasal inhalers, as defined by rule by
18 the [authority] **department**, when prescribed by an allergist for treatment of any of the following
19 conditions, as described by the Health Evidence Review Commission on the funded portion of its
20 prioritized list of services:

21 (i) Asthma;

22 (ii) Sinusitis;

23 (iii) Rhinitis; or

24 (iv) Allergies.

25 (B) Any mental health drug prescribed for a medical assistance recipient if:

26 (i) The claims history available to the [authority] **department** shows that the recipient has been
27 in a course of treatment with the drug during the preceding 365-day period; or

28 (ii) The prescriber specifies on the prescription “dispense as written” or includes the notation
29 “D.A.W.” or words of similar meaning.

30 (6) The [authority] **department** shall pay a rural health clinic for a legend drug prescribed and
31 dispensed under this chapter by a licensed practitioner at the rural health clinic for an urgent
32 medical condition if:

33 (a) There is not a pharmacy within 15 miles of the clinic;

34 (b) The prescription is dispensed for a patient outside of the normal business hours of any
35 pharmacy within 15 miles of the clinic; or

36 (c) No pharmacy within 15 miles of the clinic dispenses legend drugs under this chapter.

37 (7) Notwithstanding ORS 414.334, the [authority] **department** may conduct prospective drug
38 utilization review in accordance with ORS 414.351 to 414.414.

39 (8) Notwithstanding subsection (3) of this section, the [authority] **department** may pay a phar-
40 macy for a particular brand name drug rather than the generic version of the drug after notifying
41 the pharmacy that the cost of the particular brand name drug, after receiving discounted prices and
42 rebates, is equal to or less than the cost of the generic version of the drug.

43 (9)(a) Within 180 days after the United States patent expires on an immunosuppressant drug
44 used in connection with an organ transplant, the [authority] **department** shall determine whether
45 the drug is a narrow therapeutic index drug.

1 (b) As used in this subsection, “narrow therapeutic index drug” means a drug that has a narrow
2 range in blood concentrations between efficacy and toxicity and requires therapeutic drug concen-
3 tration or pharmacodynamic monitoring.

4 **SECTION 400.** ORS 414.326 is amended to read:

5 414.326. (1) The Oregon [*Health Authority*] **Department of Health** shall negotiate and enter into
6 agreements with pharmaceutical manufacturers for supplemental rebates that are in addition to the
7 discount required under federal law to participate in the medical assistance program.

8 (2) The [*authority*] **department** may participate in a multistate prescription drug purchasing
9 pool for the purpose of negotiating supplemental rebates.

10 (3) ORS 414.325 and 414.334 apply to prescription drugs purchased for the medical assistance
11 program under this section.

12 **SECTION 401.** ORS 414.327 is amended to read:

13 414.327. The Oregon [*Health Authority*] **Department of Health** shall adopt rules permitting a
14 practitioner to communicate prescription drug orders by electronic means directly to the dispensing
15 pharmacist.

16 **SECTION 402.** ORS 414.328 is amended to read:

17 414.328. (1) As used in this section, “synchronization policy” means a procedure for aligning the
18 refill dates of a patient’s prescription drugs so that drugs that are refilled at the same frequency
19 may be refilled concurrently.

20 (2) Each coordinated care organization shall implement a synchronization policy for the dis-
21 pensing of prescription drugs to members of the organization.

22 (3) The Oregon [*Health Authority*] **Department of Health** shall implement a synchronization
23 policy for the dispensing of prescription drugs to recipients of medical assistance who are not en-
24 rolled in a coordinated care organization.

25 **SECTION 403.** ORS 414.329 is amended to read:

26 414.329. (1) Notwithstanding ORS 414.591, 414.631 and 414.688 to 414.745, the Oregon [*Health*
27 *Authority*] **Department of Health** shall adopt rules modifying the prescription drug benefits for
28 persons who are eligible for Medicare Part D prescription drug coverage and who receive pre-
29 scription drug benefits under the state medical assistance program or Title XIX of the Social Secu-
30 rity Act. The rules shall include but need not be limited to:

31 (a) Identification of the Part D classes of drugs for which federal financial participation is not
32 available and that are not covered classes of drugs;

33 (b) Identification of the Part D classes of drugs for which federal financial participation is not
34 available and that are covered classes of drugs;

35 (c) Identification of the classes of drugs not covered under Medicare Part D prescription drug
36 coverage for which federal financial participation is available and that are covered classes of drugs;
37 and

38 (d) Cost-sharing obligations related to the provision of Part D classes of drugs for which federal
39 financial participation is not available.

40 (2) As used in this section, “covered classes of drugs” means classes of prescription drugs pro-
41 vided to persons eligible for prescription drug coverage under the state medical assistance program
42 or Title XIX of the Social Security Act.

43 **SECTION 404.** ORS 414.334 is amended to read:

44 414.334. (1) The Oregon [*Health Authority*] **Department of Health** shall adopt a Practitioner-
45 Managed Prescription Drug Plan for the medical assistance program. The purpose of the plan is to

1 ensure that enrollees in the medical assistance program receive the most effective prescription drug
2 available at the best possible price.

3 (2) In adopting the plan, the [authority] **department** shall consider recommendations of the
4 Pharmacy and Therapeutics Committee.

5 (3) The [authority] **department** shall consult with representatives of the regulatory boards and
6 associations representing practitioners who are prescribers under the medical assistance program
7 and ensure that practitioners receive educational materials and have access to training on the
8 Practitioner-Managed Prescription Drug Plan.

9 (4) Notwithstanding the Practitioner-Managed Prescription Drug Plan adopted by the
10 [authority] **department**, a practitioner may prescribe any drug that the practitioner indicates is
11 medically necessary for an enrollee as being the most effective available.

12 (5) An enrollee may appeal to the [authority] **department** a decision of a practitioner or the
13 [authority] **department** to not provide a prescription drug requested by the enrollee.

14 (6) This section does not limit the decision of a practitioner as to the scope and duration of
15 treatment of chronic conditions, including but not limited to arthritis, diabetes and asthma.

16 **SECTION 405.** ORS 414.337 is amended to read:

17 414.337. The Oregon [Health Authority] **Department of Health** may not adopt or amend any
18 rule that requires a prescribing practitioner to contact the [authority] **department** to request an
19 exception for a medically appropriate or medically necessary drug that is not listed on the
20 Practitioner-Managed Prescription Drug Plan drug list for that class of drugs adopted under ORS
21 414.334, unless otherwise authorized by enabling legislation setting forth the requirement for prior
22 authorization.

23 **SECTION 406.** ORS 414.351 is amended to read:

24 414.351. As used in ORS 414.351 to 414.414:

25 (1) "Compendia" means those resources widely accepted by the medical profession in the
26 efficacious use of drugs, including the following sources:

27 (a) The American Hospital Formulary Service drug information.

28 (b) The United States Pharmacopeia drug information.

29 (c) The American Medical Association drug evaluations.

30 (d) Peer-reviewed medical literature.

31 (e) Drug therapy information provided by manufacturers of drug products consistent with the
32 federal Food and Drug Administration requirements.

33 (2) "Criteria" means the predetermined and explicitly accepted elements based on compendia
34 that are used to measure drug use on an ongoing basis to determine if the use is appropriate, med-
35 ically necessary and not likely to result in adverse medical outcomes.

36 (3) "Drug-disease contraindication" means the potential for, or the occurrence of, an undesirable
37 alteration of the therapeutic effect of a given prescription because of the presence, in the patient
38 for whom it is prescribed, of a disease condition or the potential for, or the occurrence of, a clin-
39 ically significant adverse effect of the drug on the patient's disease condition.

40 (4) "Drug-drug interaction" means the pharmacological or clinical response to the administration
41 of at least two drugs different from that response anticipated from the known effects of the two
42 drugs when given alone, which may manifest clinically as antagonism, synergism or idiosyncrasy.
43 Such interactions have the potential to have an adverse effect on the individual or lead to a clin-
44 ically significant adverse reaction, or both, that:

45 (a) Is characteristic of one or any of the drugs present; or

1 (b) Leads to interference with the absorption, distribution, metabolism, excretion or therapeutic
2 efficacy of one or any of the drugs.

3 (5) "Drug use review" means the programs designed to measure and assess on a retrospective
4 and a prospective basis, through an evaluation of claims data, the proper utilization, quantity, ap-
5 propriateness as therapy and medical necessity of prescribed medication in the medical assistance
6 program.

7 (6) "Intervention" means an action taken by the Oregon [*Health Authority*] **Department of**
8 **Health** with a:

9 (a) Prescriber or pharmacist to inform about or to influence prescribing or dispensing practices;
10 or

11 (b) Recipient, prescriber or pharmacist to inform about or to influence the utilization of drugs.

12 (7) "Overutilization" means the use of a drug in quantities or for durations that put the recipient
13 at risk of an adverse medical result.

14 (8) "Pharmacist" means an individual who is licensed as a pharmacist under ORS chapter 689.

15 (9) "Prescriber" means any person authorized by law to prescribe drugs.

16 (10) "Prospective program" means the prospective drug use review program described in ORS
17 414.369.

18 (11) "Retrospective program" means the retrospective drug use review program described in
19 ORS 414.371.

20 (12) "Standards" means the acceptable prescribing and dispensing methods determined by
21 compendia, in accordance with local standards of medical practice for health care providers.

22 (13) "Therapeutic appropriateness" means drug prescribing based on scientifically based and
23 clinically relevant drug therapy that is consistent with the criteria and standards developed under
24 ORS 414.351 to 414.414.

25 (14) "Therapeutic duplication" means the prescribing and dispensing of two or more drugs from
26 the same therapeutic class such that the combined daily dose puts the recipient at risk of an adverse
27 medical result or incurs additional program costs without additional therapeutic benefits.

28 (15) "Underutilization" means that a drug is used by a recipient in insufficient quantity to
29 achieve a desired therapeutic goal.

30 **SECTION 407.** ORS 414.353 is amended to read:

31 414.353. (1) There is created an 11-member Pharmacy and Therapeutics Committee responsible
32 for advising the Oregon [*Health Authority*] **Department of Health** on the implementation of the
33 retrospective and prospective programs and on the Practitioner-Managed Prescription Drug Plan.

34 (2) The Director of the Oregon [*Health Authority*] **Department of Health** shall appoint the
35 members of the committee, who shall serve at the pleasure of the director for a term of three years.
36 An individual appointed to the committee may be reappointed upon completion of the individual's
37 term. The membership of the committee shall be composed of the following:

38 (a) Five persons licensed as physicians under ORS 677.100 to 677.228 and actively engaged in
39 the practice of medicine in Oregon, who may be from among persons recommended by organizations
40 representing physicians;

41 (b) Four persons licensed in and actively practicing pharmacy in Oregon who may be from
42 among persons recommended by organizations representing pharmacists whether affiliated or unaf-
43 filiated with any association; and

44 (c) Two persons who are not physicians or pharmacists.

45 (3) If the committee determines that it lacks current clinical or treatment expertise with respect

1 to a particular therapeutic class, or at the request of an interested outside party, the director shall
2 appoint one or more medical experts otherwise qualified as described in subsection (2)(a) of this
3 section who have such expertise. The medical experts shall have full voting rights with respect to
4 recommendations made under ORS 414.361 (3) and (4). The medical experts may participate but may
5 not vote in any other activities of the committee.

6 (4) The director shall fill a vacancy on the committee by appointing a new member to serve the
7 remainder of the unexpired term.

8 **SECTION 408.** ORS 414.354 is amended to read:

9 414.354. (1) Except as provided in ORS 414.356, the Pharmacy and Therapeutics Committee shall
10 operate in accordance with ORS chapter 192. The committee shall annually elect a chairperson from
11 the members of the committee.

12 (2) A committee member is not entitled to compensation but is entitled to reimbursement for
13 actual and necessary travel expenses incurred in connection with the member's duties, pursuant to
14 ORS 292.495.

15 (3) A quorum consists of six members of the committee.

16 (4) The committee may establish advisory committees to assist in carrying out the committee's
17 duties under ORS 414.351 to 414.414, with the approval of the Director of the Oregon [*Health Au-*
18 *thority*] **Department of Health**.

19 (5) The Oregon [*Health Authority*] **Department of Health** shall provide staff and support ser-
20 vices to the committee.

21 (6) The committee shall meet no less than four times each year at a place, day and hour deter-
22 mined by the director. The committee also shall meet at other times and places specified by the call
23 of the director or a majority of the members of the committee. No less than 30 days prior to a
24 meeting the committee shall post to the [*authority*] **department** website:

25 (a) The agenda for the meeting;

26 (b) A list of the drug classes to be considered at the meeting; and

27 (c) Background materials and supporting documentation provided to committee members with
28 respect to drugs and drug classes that are before the committee for review.

29 (7) The committee shall provide appropriate opportunity for public testimony at each regularly
30 scheduled committee meeting. Immediately prior to deliberating on any recommendations regarding
31 a drug or a class of drugs, the committee shall accept testimony, in writing or in person, that is
32 offered by a manufacturer of those drugs or another interested party.

33 (8) The committee may consider more than 20 classes of drugs at a meeting only if:

34 (a) There is no new clinical evidence for the additional class of drugs; and

35 (b) The committee is considering only substantial cost differences between drugs within the
36 same therapeutic class.

37 **SECTION 409.** ORS 414.359 is amended to read:

38 414.359. (1) The Mental Health Clinical Advisory Group is established in the Oregon [*Health*
39 *Authority*] **Department of Health**. The Mental Health Clinical Advisory Group shall develop
40 evidence-based algorithms for mental health treatments, including treatments with mental health
41 drugs based on:

42 (a) The efficacy of the drug;

43 (b) The cost of the drug;

44 (c) Potential side effects of the drug;

45 (d) A patient's profile; and

- 1 (e) A patient’s history with the drug.
- 2 (2) The Mental Health Clinical Advisory Group consists of 18 members appointed by the [au-
- 3 *thority*] **department** as follows:
- 4 (a) Two psychiatrists each with an active community practice;
- 5 (b) One child and adolescent psychiatrist;
- 6 (c) Two licensed clinical psychologists;
- 7 (d) One psychiatric nurse practitioner with prescribing privileges;
- 8 (e) Two primary care providers;
- 9 (f) Two pharmacists, one of whom must have experience dispensing to long term care facilities
- 10 and patients with special needs;
- 11 (g) Two individuals, each representing a statewide mental health advocacy organization for
- 12 children and adults with mental illness, who have experience as a consumer of mental health ser-
- 13 vices or as a family member of a consumer of mental health services;
- 14 (h) Two individuals each representing a coordinated care organization;
- 15 (i) One consumer of mental health services;
- 16 (j) One member of a federally recognized Oregon Indian tribe;
- 17 (k) One member who represents the Department of Corrections who has a clinical background;
- 18 and
- 19 (L) One member who is a clinical psychiatrist and who represents the Oregon Psychiatric Ac-
- 20 cess Line.
- 21 (3) The Mental Health Clinical Advisory Group shall, in developing treatment algorithms, con-
- 22 sider all of the following:
- 23 (a) Peer-reviewed medical literature;
- 24 (b) Observational studies;
- 25 (c) Studies of health economics;
- 26 (d) Input from patients and physicians; and
- 27 (e) Any other information that the group deems appropriate.
- 28 (4) The Mental Health Clinical Advisory Group shall make recommendations to the [*authority*]
- 29 **Oregon Department of Health** and the Pharmacy and Therapeutics Committee, including but not
- 30 limited to:
- 31 (a) Implementation of evidence-based algorithms.
- 32 (b) Any changes needed to any preferred drug list used by the [*authority*] **department**.
- 33 (c) Practice guidelines for the treatment of mental health disorders with mental health drugs.
- 34 (d) Coordinating the work of the group with an entity that offers a psychiatric advice hotline.
- 35 (5) Recommendations of the Mental Health Clinical Advisory Group shall be posted to the
- 36 website of the [*authority*] **department** no later than 30 days after the group approves the recom-
- 37 mendations.
- 38 (6) No later than December 31 of each year, the Mental Health Clinical Advisory Group shall
- 39 report to the interim committees of the Legislative Assembly related to health on recommendations
- 40 made to the [*authority*] **department** under subsection (4) of this section and the report may include
- 41 recommendations for legislation.
- 42 (7) A member of the Mental Health Clinical Advisory Group is not entitled to compensation but
- 43 may be reimbursed for necessary travel expenses incurred in the performance of the member’s offi-
- 44 cial duties.
- 45 (8) The Mental Health Clinical Advisory Group shall select one of its members as chairperson

1 and another as vice chairperson, for terms and with duties and powers necessary for the perform-
2 ance of the functions of the group.

3 (9) A majority of the members of the Mental Health Clinical Advisory Group constitutes a quo-
4 rum for the transaction of business.

5 (10) The Mental Health Clinical Advisory Group shall meet at least once every two months at
6 a time and place determined by the chairperson. The group also may meet at other times and places
7 specified by the call of the chairperson or of a majority of the members of the group. The group
8 may meet in executive session when discussing factors listed in subsection (1) of this section.

9 (11) All agencies of state government, as defined in ORS 174.111, are directed to assist the
10 Mental Health Clinical Advisory Group in the performance of duties of the group and, to the extent
11 permitted by laws relating to confidentiality, to furnish information and advice the members of the
12 group consider necessary to perform their duties.

13 **SECTION 410.** ORS 414.361 is amended to read:

14 414.361. (1) The Pharmacy and Therapeutics Committee shall advise the Oregon [*Health Au-*
15 *thority*] **Department of Health** on:

16 (a) Adoption of rules to implement ORS 414.351 to 414.414 in accordance with ORS chapter 183.

17 (b) Implementation of the medical assistance program retrospective and prospective programs
18 as described in ORS 414.351 to 414.414, including the type of software programs to be used by the
19 pharmacist for prospective drug use review and the provisions of the contractual agreement between
20 the state and any entity involved in the retrospective program.

21 (c) Development of and application of the criteria and standards to be used in retrospective and
22 prospective drug use review in a manner that ensures that such criteria and standards are based
23 on compendia, relevant guidelines obtained from professional groups through consensus-driven pro-
24 cesses, the experience of practitioners with expertise in drug therapy, data and experience obtained
25 from drug utilization review program operations. The committee shall have an open professional
26 consensus process for establishing and revising criteria and standards. Criteria and standards shall
27 be available to the public. In developing recommendations for criteria and standards, the committee
28 shall establish an explicit ongoing process for soliciting and considering input from interested par-
29 ties. The committee shall make timely revisions to the criteria and standards based upon this input
30 in addition to revisions based upon scheduled review of the criteria and standards. Further, the drug
31 utilization review standards shall reflect the local practices of prescribers in order to monitor:

32 (A) Therapeutic appropriateness.

33 (B) Overutilization or underutilization.

34 (C) Therapeutic duplication.

35 (D) Drug-disease contraindications.

36 (E) Drug-drug interactions.

37 (F) Incorrect drug dosage or drug treatment duration.

38 (G) Clinical abuse or misuse.

39 (H) Drug allergies.

40 (d) Development, selection and application of and assessment for interventions that are educa-
41 tional and not punitive in nature for medical assistance program prescribers, dispensers and pa-
42 tients.

43 (2) In reviewing retrospective and prospective drug use, the committee may consider only drugs
44 that have received final approval from the federal Food and Drug Administration.

45 (3) The committee shall make recommendations to the [*authority*] **department**, subject to ap-

1 proval by the Director of the Oregon [*Health Authority*] **Department of Health** or the director's
 2 designee, for drugs to be included on any preferred drug list adopted by the [*authority*] **department**
 3 and on the Practitioner-Managed Prescription Drug Plan. The committee shall also recommend all
 4 utilization controls, prior authorization requirements or other conditions for the coverage of a drug.

5 (4) In making recommendations under subsection (3) of this section, the committee may use any
 6 information the committee deems appropriate. The recommendations must be based upon the fol-
 7 lowing factors in order of priority:

8 (a) Safety and efficacy of the drug.

9 (b) The ability of Oregonians to access effective prescription drugs that are appropriate for their
 10 clinical conditions.

11 (c) Substantial differences in the costs of drugs within the same therapeutic class.

12 (5)(a) No later than seven days after the date on which the committee makes a recommendation
 13 under subsection (3) of this section, the committee shall publish the recommendation on the website
 14 of the [*authority*] **department**.

15 (b) As soon as practicable after the committee makes a recommendation, the director shall de-
 16 cide whether to approve, disapprove or modify the recommendation, shall publish the decision on the
 17 website and shall notify persons who have requested notification of the decision.

18 (c) Except as provided in subsection (6) of this section, a recommendation approved by the di-
 19 rector, in whole or in part, with respect to the inclusion of a drug on a preferred drug list or the
 20 Practitioner-Managed Prescription Drug Plan may not become effective less than seven days after
 21 the date that the director's decision is published on the website.

22 (6)(a) The director may allow the immediate implementation of a recommendation described in
 23 subsection (5)(c) of this section if the director determines that immediate implementation is neces-
 24 sary to protect patient safety or to comply with state or federal requirements.

25 (b) The director shall reconsider any decision to approve, disapprove or modify a recommen-
 26 dation described in subsection (5)(c) of this section upon the request of any interested person filed
 27 no later than seven days after the director's decision is published on the website of the [*authority*]
 28 **department**. The director's determination regarding the request for reconsideration shall be sent
 29 to the requester and posted to the website without undue delay. Upon receipt of a request for re-
 30 consideration, the director may:

31 (A) Delay the implementation of the recommendation pending the reconsideration process; or

32 (B) Implement the recommendation if the director determines that delay could reasonably result
 33 in harm to patient safety or would violate state or federal requirements.

34 **SECTION 411.** ORS 414.361, as amended by section 4, chapter 628, Oregon Laws 2021, is
 35 amended to read:

36 414.361. (1) The Pharmacy and Therapeutics Committee shall advise the Oregon [*Health Au-*
 37 *thority*] **Department of Health** on:

38 (a) Adoption of rules to implement ORS 414.351 to 414.414 in accordance with ORS chapter 183.

39 (b) Implementation of the medical assistance program retrospective and prospective programs
 40 as described in ORS 414.351 to 414.414, including the type of software programs to be used by the
 41 pharmacist for prospective drug use review and the provisions of the contractual agreement between
 42 the state and any entity involved in the retrospective program.

43 (c) Development of and application of the criteria and standards to be used in retrospective and
 44 prospective drug use review in a manner that ensures that such criteria and standards are based
 45 on compendia, relevant guidelines obtained from professional groups through consensus-driven pro-

1 cesses, the experience of practitioners with expertise in drug therapy, data and experience obtained
2 from drug utilization review program operations. The committee shall have an open professional
3 consensus process for establishing and revising criteria and standards. Criteria and standards shall
4 be available to the public. In developing recommendations for criteria and standards, the committee
5 shall establish an explicit ongoing process for soliciting and considering input from interested par-
6 ties. The committee shall make timely revisions to the criteria and standards based upon this input
7 in addition to revisions based upon scheduled review of the criteria and standards. Further, the drug
8 utilization review standards shall reflect the local practices of prescribers in order to monitor:

9 (A) Therapeutic appropriateness.

10 (B) Overutilization or underutilization.

11 (C) Therapeutic duplication.

12 (D) Drug-disease contraindications.

13 (E) Drug-drug interactions.

14 (F) Incorrect drug dosage or drug treatment duration.

15 (G) Clinical abuse or misuse.

16 (H) Drug allergies.

17 (d) Development, selection and application of and assessment for interventions that are educa-
18 tional and not punitive in nature for medical assistance program prescribers, dispensers and pa-
19 tients.

20 (2) In reviewing retrospective and prospective drug use, the committee may consider only drugs
21 that have received final approval from the federal Food and Drug Administration.

22 (3) The committee shall make recommendations to the [authority] **department**, subject to ap-
23 proval by the Director of the Oregon [Health Authority] **Department of Health** or the director's
24 designee, for drugs to be included on any preferred drug list adopted by the [authority] **department**
25 and on the Practitioner-Managed Prescription Drug Plan. The committee shall also recommend all
26 utilization controls, prior authorization requirements or other conditions for the coverage of a drug.

27 (4) In making recommendations under subsection (3) of this section, the committee may use any
28 information the committee deems appropriate. The recommendations must be based upon the fol-
29 lowing factors in order of priority:

30 (a) Safety and efficacy of the drug.

31 (b) The ability of Oregonians to access effective prescription drugs that are appropriate for their
32 clinical conditions.

33 (c) For mental health drugs, the recommendations of the Mental Health Clinical Advisory Group.

34 (d) Substantial differences in the costs of drugs within the same therapeutic class.

35 (5)(a) No later than seven days after the date on which the committee makes a recommendation
36 under subsection (3) of this section, the committee shall publish the recommendation on the website
37 of the [authority] **department**.

38 (b) As soon as practicable after the committee makes a recommendation, the director shall de-
39 cide whether to approve, disapprove or modify the recommendation, shall publish the decision on the
40 website and shall notify persons who have requested notification of the decision.

41 (c) Except as provided in subsection (6) of this section, a recommendation approved by the di-
42 rector, in whole or in part, with respect to the inclusion of a drug on a preferred drug list or the
43 Practitioner-Managed Prescription Drug Plan may not become effective less than seven days after
44 the date that the director's decision is published on the website.

45 (6)(a) The director may allow the immediate implementation of a recommendation described in

1 subsection (5)(c) of this section if the director determines that immediate implementation is neces-
 2 sary to protect patient safety or to comply with state or federal requirements.

3 (b) The director shall reconsider any decision to approve, disapprove or modify a recommen-
 4 dation described in subsection (5)(c) of this section upon the request of any interested person filed
 5 no later than seven days after the director’s decision is published on the website of the [authority]
 6 **department**. The director’s determination regarding the request for reconsideration shall be sent
 7 to the requester and posted to the website without undue delay. Upon receipt of a request for re-
 8 consideration, the director may:

9 (A) Delay the implementation of the recommendation pending the reconsideration process; or

10 (B) Implement the recommendation if the director determines that delay could reasonably result
 11 in harm to patient safety or would violate state or federal requirements.

12 **SECTION 412.** ORS 414.369 is amended to read:

13 414.369. The prospective drug use review program must use guidelines established by the Oregon
 14 [Health Authority] **Department of Health** that are based on the recommendations of the Pharmacy
 15 and Therapeutics Committee. The program must ensure that prior to the prescription being filled
 16 or delivered a review will be conducted by the pharmacist at the point of sale to screen for potential
 17 drug therapy problems resulting from the following:

- 18 (1) Therapeutic duplication.
- 19 (2) Drug-drug interactions, including serious interactions with nonprescription or over-the-
 20 counter drugs.
- 21 (3) Incorrect dosage and duration of treatment.
- 22 (4) Drug-allergy interactions.
- 23 (5) Clinical abuse and misuse.
- 24 (6) Drug-disease contraindications.

25 **SECTION 413.** ORS 414.371 is amended to read:

26 414.371. The retrospective drug use review program must use:

- 27 (1) Guidelines established by the Oregon [Health Authority] **Department of Health** that are
 28 based on the recommendations of the Pharmacy and Therapeutics Committee; and
- 29 (2) The mechanized drug claims processing and information retrieval system to analyze claims
 30 data on drug use against explicit predetermined standards that are based on compendia and other
 31 sources to monitor the following:

- 32 (a) Therapeutic appropriateness.
- 33 (b) Overutilization or underutilization.
- 34 (c) Fraud and abuse.
- 35 (d) Therapeutic duplication.
- 36 (e) Drug-disease contraindications.
- 37 (f) Drug-drug interactions.
- 38 (g) Incorrect drug dosage or duration of drug treatment.
- 39 (h) Clinical abuse and misuse.

40 **SECTION 414.** ORS 414.372 is amended to read:

41 414.372. (1)(a) If necessary to avoid overutilization by a recipient of medical assistance, the
 42 Oregon [Health Authority] **Department of Health** may restrict, for 18 months or less, the recipient’s
 43 pharmacy choices for filling and refilling prescriptions to a mail order pharmacy that contracts with
 44 the [authority] **department**, a retail pharmacy selected by the recipient and a specialty pharmacy
 45 selected by the recipient, if the recipient:

1 (A) Uses three or more pharmacies in a six-month period;
 2 (B) Fills prescriptions from more than one prescriber for the same or comparable medications
 3 for the same time period;
 4 (C) Alters a prescription; or
 5 (D) Exhibits behaviors or patterns of behavior that the Pharmacy and Therapeutics Committee
 6 has identified as indicative of intentional overutilization or misuse.

7 (b) This subsection does not apply to a recipient who:
 8 (A) Is a member of a coordinated care organization;
 9 (B) Has Medicare drug coverage, in addition to medical assistance, but no other drug coverage;
 10 (C) Is a child in the custody of the Department of Human Services; or
 11 (D) Is a patient in a hospital or other medical institution or a resident in a long term care fa-
 12 cility.

13 (c) The [authority] **Oregon Department of Health** shall prescribe by rule:
 14 (A) Exceptions to the limitation imposed under paragraph (a) of this subsection; and
 15 (B) The conditions under which a recipient who is restricted under paragraph (a) of this sub-
 16 section may change to a different pharmacy.

17 (2) The [authority] **department** may conduct prospective drug utilization review, in accordance
 18 with rules adopted under ORS 414.361, prior to payment for drugs for a patient who has filled pre-
 19 scriptions for more than 15 drugs in the preceding six-month period.

20 **SECTION 415.** ORS 414.381 is amended to read:
 21 414.381. In addition to the duties described in ORS 414.361, the Pharmacy and Therapeutics
 22 Committee shall do the following subject to the approval of the Director of the Oregon [Health Au-
 23 thority] **Department of Health**:

24 (1) Publish an annual report, as described in ORS 414.382.
 25 (2) Publish and disseminate educational information to prescribers and pharmacists regarding
 26 the committee and the drug use review programs, including information on the following:
 27 (a) Identifying and reducing the frequency of patterns of fraud, abuse or inappropriate or med-
 28 ically unnecessary care among prescribers, pharmacists and recipients.
 29 (b) Potential or actual severe or adverse reactions to drugs.
 30 (c) Therapeutic appropriateness.
 31 (d) Overutilization or underutilization.
 32 (e) Appropriate use of generic products.
 33 (f) Therapeutic duplication.
 34 (g) Drug-disease contraindications.
 35 (h) Drug-drug interactions.
 36 (i) Drug allergy interactions.
 37 (j) Clinical abuse and misuse.

38 (3) Adopt and implement procedures designed to ensure the confidentiality of any information
 39 that identifies individual prescribers, pharmacists or recipients and that is collected, stored, re-
 40 trieved, assessed or analyzed by the committee, staff of the committee, the Oregon [Health
 41 Authority] **Department of Health** or contractors to the committee or the [authority] **department**.

42 **SECTION 416.** ORS 414.382 is amended to read:
 43 414.382. (1) The annual report required under ORS 414.381 (1) is subject to public comment prior
 44 to its submission to the Director of the Oregon [Health Authority] **Department of Health** and must
 45 include the following:

1 (a) An overview of the activities of the Pharmacy and Therapeutics Committee and the pro-
2 spective and retrospective programs;

3 (b) A summary of interventions made, including the number of cases brought before the com-
4 mittee and the number of interventions made;

5 (c) An assessment of the impact of the interventions, criteria and standards used, including an
6 overall assessment of the impact of the educational programs and interventions on prescribing and
7 dispensing patterns;

8 (d) An assessment of the impact of the criteria, standards and educational interventions on
9 quality of care; and

10 (e) An estimate of the cost savings generated as a result of the prospective and retrospective
11 programs, including an overview of the fiscal impact of the programs to other areas of the medical
12 assistance program such as hospitalization or long term care costs. This analysis should include a
13 cost-benefit analysis of both the prospective and retrospective programs and should take into ac-
14 count the administrative costs of the drug utilization review program.

15 (2) Copies of the annual report shall be submitted to the President of the Senate, the Speaker
16 of the House of Representatives and other persons who request copies of the report.

17 **SECTION 417.** ORS 414.414 is amended to read:

18 414.414. (1) Information collected under ORS 414.351 to 414.414 that identifies an individual is
19 confidential and may not be disclosed by the Pharmacy and Therapeutics Committee, the retrospec-
20 tive program or the Oregon [*Health Authority*] **Department of Health** to any person other than a
21 health care provider appearing on a recipient's medication profile.

22 (2) The staff of the committee may have access to identifying information for purposes of car-
23 rying out intervention activities. The identifying information may not be released to anyone other
24 than a staff member of the committee, the retrospective program, the [*authority*] **Oregon Depart-**
25 **ment of Health** or a health care provider appearing on a recipient's medication profile or, for
26 purposes of investigating potential fraud in programs administered by the [*authority*] **department**,
27 the Department of Justice.

28 (3) The committee may release cumulative, nonidentifying information for the purposes of legit-
29 imate research and for educational purposes.

30 **SECTION 418.** ORS 414.426 is amended to read:

31 414.426. The Oregon [*Health Authority*] **Department of Health** is hereby authorized to pay the
32 cost of care for patients in institutions operated under ORS 179.321 under the medical assistance
33 program established by ORS chapter 414.

34 **SECTION 419.** ORS 414.428 is amended to read:

35 414.428. (1) An individual who is eligible for or receiving medical assistance, as defined in ORS
36 414.025, pursuant to a demonstration project under section 1115 of the Social Security Act and who
37 is an American Indian and Alaska Native beneficiary shall receive the same package of health ser-
38 vices as individuals described in ORS 414.706 (1), (2) and (3) if:

39 (a) The Oregon [*Health Authority*] **Department of Health** receives 100 percent federal medical
40 assistance percentage for payments made by the [*authority*] **department** for the package of health
41 services provided; or

42 (b) The [*authority*] **department** receives funding from the Indian tribes for which federal finan-
43 cial participation is available.

44 (2) As used in this section, "American Indian and Alaska Native beneficiary" has the meaning
45 given that term in ORS 414.631.

1 **SECTION 420.** ORS 414.430 is amended to read:

2 414.430. (1) The Oregon [*Health Authority*] **Department of Health** shall prescribe by rule ap-
3 appropriate time frames within which a pregnant medical assistance recipient whose medical assist-
4 ance is reimbursed on a fee-for-service basis and who needs general or specialty dental care must
5 have the opportunity to be seen, or referred for, and provided:

- 6 (a) Emergency dental services;
- 7 (b) Urgent dental services;
- 8 (c) Routine dental services; and
- 9 (d) An initial dental screening or examination.

10 (2) The time frames prescribed by the [*authority*] **department** for recipients whose medical as-
11 sistance is reimbursed on a fee-for-service basis shall be the same as or shorter than the time frames
12 for pregnant recipients enrolled in coordinated care organizations and dental care organizations.

13 **SECTION 421.** ORS 414.432 is amended to read:

14 414.432. (1) The Oregon [*Health Authority*] **Department of Health** shall administer a program
15 to reimburse the cost of medically appropriate services, drugs, devices, products and procedures
16 described in ORS 743A.067, for individuals who can become pregnant and who would be eligible for
17 medical assistance if not for 8 U.S.C. 1611 or 1612.

18 (2) The [*authority*] **department** shall provide the medical assistance for pregnant women that is
19 authorized by Title XXI, section 2112, of the Social Security Act (42 U.S.C. 13971l) for 60 days im-
20 mediately postpartum.

21 (3) The [*authority*] **department** shall collect data and analyze the cost-effectiveness of the ser-
22 vices, drugs, devices, products and procedures paid for under this section.

23 (4) The [*authority*] **Oregon Department of Health**, in collaboration with the Department of
24 Consumer and Business Services if necessary, shall explore any and all opportunities to obtain fed-
25 eral financial participation in the costs of implementing this section, including but not limited to
26 waivers or demonstration projects under Title X of the Public Health Service Act or Title XIX or
27 XXI of the Social Security Act. However, the implementation of this section is not contingent upon
28 the [*authority's*] **Oregon Department of Health's** receipt of a waiver or authorization to operate
29 a demonstration project.

30 **SECTION 422.** ORS 414.534 is amended to read:

31 414.534. (1) The Oregon [*Health Authority*] **Department of Health** shall provide medical assist-
32 ance, as defined in ORS 414.025, to a woman who:

- 33 (a) Is found by a provider to be in need of treatment for breast or cervical cancer;
- 34 (b) Meets the eligibility criteria for the Oregon Breast and Cervical Cancer Program prescribed
35 by rule by the [*authority*] **department**;
- 36 (c) Does not otherwise have creditable coverage, as defined in 42 U.S.C. 300gg(c); and
- 37 (d) Is 64 years of age or younger.

38 (2) The period of time a woman can receive medical assistance based on the eligibility criteria
39 of subsection (1) of this section:

- 40 (a) Begins:

41 (A) On the date the Department of Human Services or the Oregon [*Health Authority*] **Depart-**
42 **ment of Health** makes a formal determination that the woman is eligible for medical assistance in
43 accordance with subsection (1) of this section; or

44 (B) Up to three months prior to the month in which the woman applied for medical assistance
45 if on the earlier date the woman met the eligibility criteria of subsection (1) of this section.

1 (b) Ends when:

2 (A) The woman is no longer in need of treatment; or

3 (B) The Department **of Human Services** or the *[authority]* **Oregon Department of Health** de-
4 termines the woman no longer meets the eligibility criteria of subsection (1) of this section.

5 **SECTION 423.** ORS 414.536 is amended to read:

6 414.536. (1) If the Department of Human Services or the Oregon *[Health Authority]* **Department**
7 **of Health** determines that a woman likely is eligible for medical assistance under ORS 414.534, the
8 Department **of Human Services** or the *[authority]* **Oregon Department of Health** shall determine
9 her to be presumptively eligible for medical assistance until a formal determination on eligibility is
10 made.

11 (2) The period of time a woman may receive medical assistance based on presumptive eligibility
12 is limited. The period of time:

13 (a) Begins on the date that the Department **of Human Services** or the *[authority]* **Oregon De-**
14 **partment of Health** determines the woman likely meets the eligibility criteria under ORS 414.534;
15 and

16 (b) Ends on the earlier of the following dates:

17 (A) If the woman applies for medical assistance following the determination by the Department
18 **of Human Services** or the *[authority]* **Oregon Department of Health** that the woman is
19 presumptively eligible for medical assistance, the date on which a formal determination on eligibility
20 is made by the Department **of Human Services** or the *[authority]* **Oregon Department of Health**
21 in accordance with ORS 414.534; or

22 (B) If the woman does not apply for medical assistance following the determination by the De-
23 partment **of Human Services** or the *[authority]* **Oregon Department of Health** that the woman is
24 presumptively eligible for medical assistance, the last day of the month following the month in which
25 presumptive eligibility begins.

26 **SECTION 424.** ORS 414.538 is amended to read:

27 414.538. (1) The Department of Human Services and the Oregon *[Health Authority]* **Department**
28 **of Health** may not impose income or resource limitations or a prior period of uninsurance on a
29 woman who otherwise qualifies for medical assistance under ORS 414.534 or 414.536.

30 (2) In establishing eligibility requirements for medical assistance under ORS 414.534, *[the de-*
31 *partment and the authority]* **each department** shall give priority to low-income women.

32 **SECTION 425.** ORS 414.540 is amended to read:

33 414.540. The Oregon *[Health Authority]* **Department of Health** shall adopt rules necessary for
34 the implementation and administration of ORS 414.534 to 414.538.

35 **SECTION 426.** ORS 414.570 is amended to read:

36 414.570. (1) There is established the Oregon Integrated and Coordinated Health Care Delivery
37 System. The system shall consist of state policies and actions that make coordinated care organiza-
38 tions accountable for care management and provision of integrated and coordinated health care for
39 each organization's members, managed within fixed global budgets, by providing care so that effi-
40 ciency and quality improvements reduce medical cost inflation while supporting the development of
41 regional and community accountability for the health of the residents of each region and community,
42 and while maintaining regulatory controls necessary to ensure quality and affordable health care for
43 all Oregonians.

44 (2) The Oregon *[Health Authority]* **Department of Health** shall seek input from groups and in-
45 dividuals who are part of underserved communities, including ethnically diverse populations, ge-

1 ographically isolated groups, seniors, people with disabilities and people using mental health
 2 services, and shall also seek input from providers, coordinated care organizations and communities,
 3 in the development of strategies that promote person centered care and encourage healthy behav-
 4 iors, healthy lifestyles and prevention and wellness activities and promote the development of
 5 patients' skills in self-management and illness management.

6 (3) The [authority] **department** shall regularly report to the Oregon Health Policy Board, the
 7 Governor and the Legislative Assembly on the progress of payment reform and delivery system
 8 change including:

- 9 (a) The achievement of benchmarks;
- 10 (b) Progress toward eliminating health disparities;
- 11 (c) Results of evaluations;
- 12 (d) Rules adopted;
- 13 (e) Customer satisfaction;
- 14 (f) Use of patient centered primary care homes and behavioral health homes;
- 15 (g) The involvement of local governments in governance and service delivery; and
- 16 (h) Other developments with respect to coordinated care organizations.

17 **SECTION 427.** ORS 414.572, as amended by section 14, chapter 489, Oregon Laws 2017, section
 18 4, chapter 49, Oregon Laws 2018, section 8, chapter 358, Oregon Laws 2019, section 2, chapter 364,
 19 Oregon Laws 2019, section 58, chapter 478, Oregon Laws 2019, section 7, chapter 529, Oregon Laws
 20 2019, and section 14, chapter 453, Oregon Laws 2021, is amended to read:

21 414.572. (1) The Oregon [Health Authority] **Department of Health** shall adopt by rule the
 22 qualification criteria and requirements for a coordinated care organization and shall integrate the
 23 criteria and requirements into each contract with a coordinated care organization. Coordinated care
 24 organizations may be local, community-based organizations or statewide organizations with
 25 community-based participation in governance or any combination of the two. Coordinated care or-
 26 ganizations may contract with counties or with other public or private entities to provide services
 27 to members. The [authority] **department** may not contract with only one statewide organization. A
 28 coordinated care organization may be a single corporate structure or a network of providers or-
 29 ganized through contractual relationships. The criteria and requirements adopted by the [authority]
 30 **department** under this section must include, but are not limited to, a requirement that the coordi-
 31 nated care organization:

32 (a) Have demonstrated experience and a capacity for managing financial risk and establishing
 33 financial reserves.

34 (b) Meet the following minimum financial requirements:

35 (A) Maintain restricted reserves of \$250,000 plus an amount equal to 50 percent of the coordi-
 36 nated care organization's total actual or projected liabilities above \$250,000.

37 (B) Maintain capital or surplus of not less than \$2,500,000 and any additional amounts necessary
 38 to ensure the solvency of the coordinated care organization, as specified by the [authority] **depart-**
 39 **ment** by rules that are consistent with ORS 731.554 (6), 732.225, 732.230 and 750.045.

40 (C) Expend a portion of the annual net income or reserves of the coordinated care organization
 41 that exceed the financial requirements specified in this paragraph on services designed to address
 42 health disparities and the social determinants of health consistent with the coordinated care
 43 organization's community health improvement plan and transformation plan and the terms and con-
 44 ditions of the Medicaid demonstration project under section 1115 of the Social Security Act (42
 45 U.S.C. 1315).

1 (c) Operate within a fixed global budget and spend on primary care, as defined by the
2 [authority] **department** by rule, at least 12 percent of the coordinated care organization's total
3 expenditures for physical and mental health care provided to members, except for expenditures on
4 prescription drugs, vision care and dental care.

5 (d) Develop and implement alternative payment methodologies that are based on health care
6 quality and improved health outcomes.

7 (e) Coordinate the delivery of physical health care, behavioral health care, oral health care and
8 covered long-term care services.

9 (f) Engage community members and health care providers in improving the health of the com-
10 munity and addressing regional, cultural, socioeconomic and racial disparities in health care that
11 exist among the coordinated care organization's members and in the coordinated care organization's
12 community.

13 (2) In addition to the criteria and requirements specified in subsection (1) of this section, the
14 [authority] **department** must adopt by rule requirements for coordinated care organizations con-
15 tracting with the [authority] **department** so that:

16 (a) Each member of the coordinated care organization receives integrated person centered care
17 and services designed to provide choice, independence and dignity.

18 (b) Each member has a consistent and stable relationship with a care team that is responsible
19 for comprehensive care management and service delivery.

20 (c) The supportive and therapeutic needs of each member are addressed in a holistic fashion,
21 using patient centered primary care homes, behavioral health homes or other models that support
22 patient centered primary care and behavioral health care and individualized care plans to the extent
23 feasible.

24 (d) Members receive comprehensive transitional care, including appropriate follow-up, when en-
25 tering and leaving an acute care facility or a long term care setting.

26 (e) Members are provided:

27 (A) Assistance in navigating the health care delivery system;

28 (B) Assistance in accessing community and social support services and statewide resources;

29 (C) Meaningful language access as required by federal and state law including, but not limited
30 to, 42 U.S.C. 18116, Title VI of the Civil Rights Act of 1964, Title VI Guidance issued by the United
31 States Department of Justice and the National Standards for Culturally and Linguistically Appro-
32 priate Services in Health and Health Care as issued by the United States Department of Health and
33 Human Services; and

34 (D) Qualified health care interpreters or certified health care interpreters listed on the health
35 care interpreter registry, as those terms are defined in ORS 413.550.

36 (f) Services and supports are geographically located as close to where members reside as possi-
37 ble and are, if available, offered in nontraditional settings that are accessible to families, diverse
38 communities and underserved populations.

39 (g) Each coordinated care organization uses health information technology to link services and
40 care providers across the continuum of care to the greatest extent practicable and if financially vi-
41 able.

42 (h) Each coordinated care organization complies with the safeguards for members described in
43 ORS 414.605.

44 (i) Each coordinated care organization convenes a community advisory council that meets the
45 criteria specified in ORS 414.575.

1 (j) Each coordinated care organization prioritizes working with members who have high health
2 care needs, multiple chronic conditions or behavioral health conditions and involves those members
3 in accessing and managing appropriate preventive, health, remedial and supportive care and ser-
4 vices, including the services described in ORS 414.766, to reduce the use of avoidable emergency
5 room visits and hospital admissions.

6 (k) Members have a choice of providers within the coordinated care organization's network and
7 that providers participating in a coordinated care organization:

8 (A) Work together to develop best practices for care and service delivery to reduce waste and
9 improve the health and well-being of members.

10 (B) Are educated about the integrated approach and how to access and communicate within the
11 integrated system about a patient's treatment plan and health history.

12 (C) Emphasize prevention, healthy lifestyle choices, evidence-based practices, shared decision-
13 making and communication.

14 (D) Are permitted to participate in the networks of multiple coordinated care organizations.

15 (E) Include providers of specialty care.

16 (F) Are selected by coordinated care organizations using universal application and credentialing
17 procedures and objective quality information and are removed if the providers fail to meet objective
18 quality standards.

19 (G) Work together to develop best practices for culturally and linguistically appropriate care
20 and service delivery to reduce waste, reduce health disparities and improve the health and well-
21 being of members.

22 (L) Each coordinated care organization reports on outcome and quality measures adopted under
23 ORS 414.638 and participates in the health care data reporting system established in ORS 442.372
24 and 442.373.

25 (m) Each coordinated care organization uses best practices in the management of finances,
26 contracts, claims processing, payment functions and provider networks.

27 (n) Each coordinated care organization participates in the learning collaborative described in
28 ORS 413.259 (3).

29 (o) Each coordinated care organization has a governing body that complies with ORS 414.584
30 and that includes:

31 (A) At least one member representing persons that share in the financial risk of the organiza-
32 tion;

33 (B) A representative of a dental care organization selected by the coordinated care organization;

34 (C) The major components of the health care delivery system;

35 (D) At least two health care providers in active practice, including:

36 (i) A physician licensed under ORS chapter 677 or a nurse practitioner licensed under ORS
37 678.375, whose area of practice is primary care; and

38 (ii) A behavioral health provider;

39 (E) At least two members from the community at large, to ensure that the organization's
40 decision-making is consistent with the values of the members and the community; and

41 (F) At least two members of the community advisory council, one of whom is or was within the
42 previous six months a recipient of medical assistance and is at least 16 years of age or a parent,
43 guardian or primary caregiver of an individual who is or was within the previous six months a re-
44 cipient of medical assistance.

45 (p) Each coordinated care organization's governing body establishes standards for publicizing

1 the activities of the coordinated care organization and the organization's community advisory
2 councils, as necessary, to keep the community informed.

3 (q) Each coordinated care organization publishes on a website maintained by or on behalf of the
4 coordinated care organization, in a manner determined by the [authority] **Oregon Department of**
5 **Health**, a document designed to educate members about best practices, care quality expectations,
6 screening practices, treatment options and other support resources available for members who have
7 mental illnesses or substance use disorders.

8 (r) Each coordinated care organization works with the Tribal Advisory Council established in
9 ORS 414.581 and has a dedicated tribal liaison, selected by the council, to:

10 (A) Facilitate a resolution of any issues that arise between the coordinated care organization
11 and a provider of Indian health services within the area served by the coordinated care organiza-
12 tion;

13 (B) Participate in the community health assessment and the development of the health im-
14 provement plan;

15 (C) Communicate regularly with the Tribal Advisory Council; and

16 (D) Be available for training by the office within the [authority] **department** that is responsible
17 for tribal affairs, any federally recognized tribe in Oregon and the urban Indian health program that
18 is located within the area served by the coordinated care organization and operated by an urban
19 Indian organization pursuant to 25 U.S.C. 1651.

20 (3) The [authority] **department** shall consider the participation of area agencies and other
21 nonprofit agencies in the configuration of coordinated care organizations.

22 (4) In selecting one or more coordinated care organizations to serve a geographic area, the
23 [authority] **department** shall:

24 (a) For members and potential members, optimize access to care and choice of providers;

25 (b) For providers, optimize choice in contracting with coordinated care organizations; and

26 (c) Allow more than one coordinated care organization to serve the geographic area if necessary
27 to optimize access and choice under this subsection.

28 (5) On or before July 1, 2014, each coordinated care organization must have a formal contractual
29 relationship with any dental care organization that serves members of the coordinated care organ-
30 ization in the area where they reside.

31 **SECTION 428.** ORS 414.577 is amended to read:

32 414.577. (1) A coordinated care organization shall collaborate with local public health authori-
33 ties and hospitals located in areas served by the coordinated care organization to conduct a com-
34 munity health assessment and adopt a community health improvement plan, shared with and
35 endorsed by the coordinated care organization, local public health authorities and hospitals, to serve
36 as a strategic population health and health care services plan for the residents of the areas served
37 by the coordinated care organization, local public health authorities and hospitals. The health im-
38 provement plan must include strategies for achieving shared priorities.

39 (2) The coordinated care organization shall post the health improvement plan to the coordinated
40 care organization's website.

41 (3) The Oregon [Health Authority] **Department of Health** may prescribe by rule requirements
42 for health improvement plans and provide guidance for aligning the timelines for the development
43 of the community health assessments and health improvement plans by coordinated care organiza-
44 tions, local public health authorities and hospitals.

45 **SECTION 429.** ORS 414.578 is amended to read:

1 414.578. (1) A community health improvement plan adopted by a coordinated care organization
2 and its community advisory council in accordance with ORS 414.577 shall include a component for
3 addressing the health of children and youth in the areas served by the coordinated care organization
4 including, to the extent practicable, a strategy and a plan for:

5 (a) Working with programs developed by the Early Learning Council, Early Learning Hubs, the
6 Youth Development Council and the school health providers in the region; and

7 (b) Coordinating the effective and efficient delivery of health care to children and adolescents
8 in the community.

9 (2) A community health improvement plan must be based on research, including research into
10 adverse childhood experiences, and must identify funding sources and additional funding necessary
11 to address the health needs of children and adolescents in the community and to meet the goals of
12 the plan. The plan must also:

13 (a) Evaluate the adequacy of the existing school-based health resources including school-based
14 health centers and school nurses to meet the specific pediatric and adolescent health care needs in
15 the community;

16 (b) Make recommendations to improve the school-based health center and school nurse system,
17 including the addition or improvement of electronic medical records and billing systems;

18 (c) Take into consideration whether integration of school-based health centers with the larger
19 health system or system of community clinics would further advance the goals of the plan;

20 (d) Improve the integration of all services provided to meet the needs of children, adolescents
21 and families;

22 (e) Focus on primary care, behavioral health and oral health; and

23 (f) Address promotion of health and prevention and early intervention in the treatment of chil-
24 dren and adolescents.

25 (3) A coordinated care organization shall involve in the development of its community health
26 improvement plan, school-based health centers, school nurses, school mental health providers and
27 individuals representing:

28 (a) Programs developed by the Early Learning Council and Early Learning Hubs;

29 (b) Programs developed by the Youth Development Council in the region;

30 (c) The Healthy Start Family Support Services program in the region;

31 (d) The Cover All People program and other medical assistance programs;

32 (e) Relief nurseries in the region;

33 (f) Community health centers;

34 (g) Oral health care providers;

35 (h) Community mental health providers;

36 (i) Administrators of county health department programs that offer preventive health services
37 to children;

38 (j) Hospitals in the region; and

39 (k) Other appropriate child and adolescent health program administrators.

40 (4) The Oregon [*Health Authority*] **Department of Health** may provide incentive grants to co-
41 ordinated care organizations for the purpose of contracting with individuals or organizations to help
42 coordinate integration strategies identified in the community health improvement plan adopted by
43 the community advisory council. The [*authority*] **department** may also provide funds to coordinated
44 care organizations to improve systems of services that will promote the implementation of the plan.

45 (5) Each coordinated care organization shall report to the [*authority*] **department**, in the form

1 and manner prescribed by the [authority] **department**, on the progress of the integration strategies
2 and implementation of the plan for working with the programs developed by the Early Learning
3 Council, Early Learning Hubs, the Youth Development Council and school health care providers in
4 the region, as part of the development and implementation of the community health improvement
5 plan. The [authority] **department** shall compile the information biennially and report the informa-
6 tion to the Legislative Assembly by December 31 of each even-numbered year.

7 **SECTION 430.** ORS 414.581 is amended to read:

8 414.581. (1) The Tribal Advisory Council is established. The duties of the council are to:

9 (a) Serve as a channel of communication between the coordinated care organizations and Indian
10 tribes in this state regarding the health of tribal communities; and

11 (b) Oversee the tribal liaisons in each coordinated care organization, described in ORS 414.572
12 (2)(r), and work with coordinated care organizations.

13 (2) The council consists of members who are appointed by each Indian tribe in this state and
14 one member appointed by the members of the council to represent the urban Indian health programs
15 in this state that are operated by urban Indian organizations pursuant to 25 U.S.C. 1651.

16 (3) The term of office of each member of the council is four years, but a member serves at the
17 pleasure of the Indian tribe that appointed the member. Before the expiration of the term of a
18 member, the tribe that appointed the member shall appoint a successor whose term begins on Jan-
19 uary 1 next following. A member is eligible for reappointment. If there is a vacancy for any cause,
20 the vacancy shall be filled by the appointing tribe to become immediately effective for the unexpired
21 term.

22 (4) Members of the council are not entitled to compensation or reimbursement of expenses and
23 serve as volunteers on the council.

24 (5) The council shall select one of its members as chairperson and another as vice chairperson,
25 for terms and with duties and powers necessary for the performance of the functions of the offices
26 as the council determines. The chairperson shall be responsible for the adoption of bylaws for the
27 council.

28 (6) A majority of the members of the council constitutes a quorum for the transaction of busi-
29 ness.

30 (7) The council shall meet at least once every three months at a time and place determined by
31 the council. The council also may meet at other times and places specified by the call of the chair-
32 person or of a majority of the members of the council.

33 (8) The Oregon [Health Authority] **Department of Health** shall provide staff support to the
34 council.

35 **SECTION 431.** ORS 414.590 is amended to read:

36 414.590. (1) As used in this section:

37 (a) "Benefit period" means a period of time, shorter than the five-year contract term, for which
38 specific terms and conditions in a contract between a coordinated care organization and the Oregon
39 [Health Authority] **Department of Health** are in effect.

40 (b) "Renew" means an agreement by a coordinated care organization to amend the terms or
41 conditions of an existing contract for the next benefit period.

42 (2) A contract entered into between the [authority] **department** and a coordinated care organ-
43 ization under ORS 414.572 (1):

44 (a) Shall be for a term of five years;

45 (b) Except as provided in subsection (4) of this section, may not be amended more than once in

1 each 12-month period; and

2 (c) May be terminated by the [authority] **department** if a coordinated care organization fails to
3 meet outcome and quality measures specified in the contract or is otherwise in breach of the con-
4 tract.

5 (3) This section does not prohibit the [authority] **department** from allowing a coordinated care
6 organization a reasonable amount of time in which to cure any failure to meet outcome and quality
7 measures specified in the contract prior to the termination of the contract.

8 (4) A contract entered into between the [authority] **department** and a coordinated care organ-
9 ization may be amended:

10 (a) More than once in each 12-month period if:

11 (A) The [authority] **department** and the coordinated care organization mutually agree to amend
12 the contract; or

13 (B) Amendments are necessitated by changes in federal or state law.

14 (b) Once within the first eight months of the effective date of the contract if needed to adjust
15 the global budget of a coordinated care organization, retroactive to the beginning of the calendar
16 year, to take into account changes in the membership of the coordinated care organization or the
17 health status of the coordinated care organization's members.

18 (5) Except as provided in subsection (8) of this section, the [authority] **department** must give a
19 coordinated care organization at least 60 days' advance notice of any amendments the [authority]
20 **department** proposes to existing contracts between the [authority] **department** and the coordinated
21 care organization.

22 (6) Except as provided in subsection (4)(b) of this section, an amendment to a contract may apply
23 retroactively only if:

24 (a) The amendment does not result in a claim by the [authority] **department** for the recovery
25 of amounts paid by the [authority] **department** to the coordinated care organization prior to the
26 date of the amendment; or

27 (b) The Centers for Medicare and Medicaid Services notifies the [authority] **department**, in
28 writing, that the amendment is a condition for approval of the contract by the Centers for Medicare
29 and Medicaid Services.

30 (7) If an amendment to a contract under subsection (6)(b) of this section or other circumstances
31 arise that result in a claim by the [authority] **department** for the recovery of amounts previously
32 paid to a coordinated care organization by the [authority] **department**, the [authority] **department**
33 shall ensure that the recovery does not have a material adverse effect on the coordinated care
34 organization's ability to maintain the required minimum amounts of risk-based capital.

35 (8) No later than 134 days prior to the end of a benefit period, the [authority] **department** shall
36 provide to each coordinated care organization notice of the proposed changes to the terms and
37 conditions of a contract, as will be submitted to the Centers for Medicare and Medicaid Services for
38 approval, for the next benefit period.

39 (9) A coordinated care organization must notify the [authority] **department** of the coordinated
40 care organization's refusal to renew a contract with the [authority] **department** no later than 14
41 days after the [authority] **department** provides the notice described in subsection (8) of this section.
42 Except as provided in subsections (10) and (11) of this section, a refusal to renew terminates the
43 contract at the end of the benefit period.

44 (10) The [authority] **department** may require a contract to remain in force into the next benefit
45 period and be amended as proposed by the [authority] **department** until 90 days after the coordi-

1 nated care organization has, in accordance with criteria prescribed by the [authority] **department**:

2 (a) Notified each of its members and contracted providers of the termination of the contract;

3 (b) Provided to the [authority] **department** a plan to transition its members to another coordi-
4 nated care organization; and

5 (c) Provided to the [authority] **department** a plan for closing out its coordinated care organ-
6 ization business.

7 (11) The [authority] **department** may waive compliance with the deadlines in subsections (9) and
8 (10) of this section if the Director of the Oregon [Health Authority] **Department of Health** finds
9 that the waiver of the deadlines is consistent with the effective and efficient administration of the
10 medical assistance program and the protection of medical assistance recipients.

11 **SECTION 432.** ORS 414.591 is amended to read:

12 414.591. (1) The Oregon [Health Authority] **Department of Health** shall use, to the greatest
13 extent possible, coordinated care organizations to provide fully integrated physical health services,
14 chemical dependency and mental health services and oral health services. This section, and any
15 contract entered into pursuant to this section, does not affect and may not alter the delivery of
16 Medicaid-funded long term care services.

17 (2) The [authority] **department** shall execute contracts with coordinated care organizations that
18 meet the criteria adopted by the [authority] **department** under ORS 414.572. Contracts under this
19 subsection are not subject to ORS chapters 279A and 279B, except ORS 279A.250 to 279A.290 and
20 279B.235.

21 (3)(a) The [authority] **department** shall establish financial reporting requirements for coordi-
22 nated care organizations, consistent with ORS 415.115 and 731.574, no less than 90 days before the
23 beginning of the reporting period. The [authority] **department** shall prescribe requirements and
24 procedures for financial reporting that:

25 (A) Enable the [authority] **department** to verify that the coordinated care organization's capital,
26 surplus, reserves and other financial resources are adequate to ensure against the risk of insolvency;

27 (B) Include information on the three highest executive salary and benefit packages of each co-
28 ordinated care organization;

29 (C) Require quarterly reports to be filed with the [authority] **department** by May 31, August 31
30 and November 30;

31 (D) In addition to the annual audited financial statement required by ORS 415.115, require an
32 annual report to be filed with the [authority] **department** by April 30 following the end of the period
33 for which data is reported; and

34 (E) Align, to the greatest extent practicable, with the National Association of Insurance
35 Commissioners' reporting forms to reduce the administrative costs of coordinated care organizations
36 that are also regulated by the Department of Consumer and Business Services or have affiliates that
37 are regulated by the department.

38 (b) The [authority] **Oregon Department of Health** shall provide information to coordinated care
39 organizations about the reporting standards of the National Association of Insurance Commissioners
40 and provide training on the reporting standards to the staff of coordinated care organizations who
41 will be responsible for compiling the reports.

42 (4) The [authority] **department** shall hold coordinated care organizations, contractors and pro-
43 viders accountable for timely submission of outcome and quality data, including but not limited to
44 data described in ORS 442.373, prescribed by the [authority] **department** by rule.

45 (5) The [authority] **department** shall require compliance with the provisions of subsections (3)

1 and (4) of this section as a condition of entering into a contract with a coordinated care organiza-
2 tion. A coordinated care organization, contractor or provider that fails to comply with subsection
3 (3) or (4) of this section may be subject to sanctions, including but not limited to civil penalties,
4 barring any new enrollment in the coordinated care organization and termination of the contract.

5 (6)(a) The [authority] **department** shall adopt rules and procedures to ensure that if a rural
6 health clinic provides a health service to a member of a coordinated care organization, and the rural
7 health clinic is not participating in the member's coordinated care organization, the rural health
8 clinic receives total aggregate payments from the member's coordinated care organization, other
9 payers on the claim and the [authority] **department** that are no less than the amount the rural
10 health clinic would receive in the [authority's] **department's** fee-for-service payment system. The
11 [authority] **department** shall issue a payment to the rural health clinic in accordance with this
12 subsection within 45 days of receipt by the [authority] **department** of a completed billing form.

13 (b) "Rural health clinic," as used in this subsection, shall be defined by the [authority] **depart-**
14 **ment** by rule and shall conform, as far as practicable or applicable in this state, to the definition
15 of that term in 42 U.S.C. 1395x(aa)(2).

16 (7) The [authority] **department** may contract with providers other than coordinated care or-
17 ganizations to provide integrated and coordinated health care in areas that are not served by a co-
18 ordinated care organization or where the organization's provider network is inadequate. Contracts
19 authorized by this subsection are not subject to ORS chapters 279A and 279B, except ORS 279A.250
20 to 279A.290 and 279B.235.

21 (8) The aggregate expenditures by the [authority] **department** for health services provided pur-
22 suant to this chapter may not exceed the total dollars appropriated for health services under this
23 chapter.

24 (9) Actions taken by providers, potential providers, contractors and bidders in specific accord-
25 ance with this chapter in forming consortiums or in otherwise entering into contracts to provide
26 health care services shall be performed pursuant to state supervision and shall be considered to be
27 conducted at the direction of this state, shall be considered to be lawful trade practices and may
28 not be considered to be the transaction of insurance for purposes of the Insurance Code.

29 (10) Health care providers contracting to provide services under this chapter shall advise a pa-
30 tient of any service, treatment or test that is medically necessary but not covered under the con-
31 tract if an ordinarily careful practitioner in the same or similar community would do so under the
32 same or similar circumstances.

33 (11) A coordinated care organization shall provide information to a member as prescribed by the
34 [authority] **department** by rule, including but not limited to written information, within 30 days of
35 enrollment with the coordinated care organization about available providers.

36 (12) Each coordinated care organization shall work to provide assistance that is culturally and
37 linguistically appropriate to the needs of the member to access appropriate services and participate
38 in processes affecting the member's care and services.

39 (13) Each coordinated care organization shall provide upon the request of a member or pro-
40 spective member annual summaries of the organization's aggregate data regarding:

41 (a) Grievances and appeals; and

42 (b) Availability and accessibility of services provided to members.

43 (14) A coordinated care organization may not limit enrollment in a geographic area based on the
44 zip code of a member or prospective member.

45 **SECTION 433.** ORS 414.592 is amended to read:

1 414.592. Notwithstanding ORS 414.590:

2 (1) Contracts between the Oregon [*Health Authority*] **Department of Health** and coordinated
3 care organizations or individual providers for the provision of behavioral health services must align
4 with the quality metrics and incentives developed by the Behavioral Health Committee under ORS
5 413.017 and contain provisions that ensure that:

- 6 (a) Individuals have easy access to needed care;
- 7 (b) Services are responsive to individual and community needs; and
- 8 (c) Services will lead to meaningful improvement in individuals' lives.

9 (2) The [*authority*] **department** must provide at least 90 days' notice of changes needed to con-
10 tracts that are necessary to comply with subsection (1) of this section.

11 **SECTION 434.** ORS 414.593 is amended to read:

12 414.593. (1) As used in this section:

- 13 (a) "Coordinated care organization" has the meaning given that term in ORS 414.025.
- 14 (b) "Medical assistance" has the meaning given that term in ORS 414.025.
- 15 (c) "Related party" means an entity that:

16 (A) Provides administrative services or financing to a coordinated care organization directly or
17 through one or more unrelated parties; and

18 (B) Is associated with the coordinated care organization by any form of affiliation, control or
19 investment.

- 20 (d) "Risk accepting entity" means an entity that:

21 (A) Enters into an arrangement or agreement with a coordinated care organization to provide
22 health services to members of the coordinated care organization;

23 (B) Assumes the financial risk of providing health services to medical assistance recipients; and

24 (C) Is compensated on a prepaid capitated basis for providing health services to members of a
25 coordinated care organization.

26 (e) "Risk adjusted rate of growth" means the percentage change in a coordinated care
27 organization's health care expenditures from one year to the next year, taking into account the
28 variability in the relative health status of the members of the coordinated care organization from
29 one year to the next year.

30 (2) It is the intent of the Legislative Assembly that the expenditures of a coordinated care or-
31 ganization serving medical assistance recipients be fully transparent and available to the public.

32 (3) The Oregon [*Health Authority*] **Department of Health** shall make readily available to the
33 public on an easily accessible website, and shall annually report to the Legislative Assembly, the
34 following information for the preceding calendar year regarding each coordinated care organization
35 contracting with the [*authority*] **department**:

36 (a) All financial distributions by the coordinated care organization to shareholders, equity
37 members, parent companies or any related parties.

38 (b) The annual audited financial statements of the coordinated care organization filed with the
39 [*authority*] **department** under ORS 415.115.

40 (c) The annual risk adjusted rate of growth for the coordinated care organization.

41 (d) Every report submitted by the coordinated care organization to the [*authority*] **department**
42 as required in the coordinated care organization's contract with the [*authority*] **department**, except
43 for reports containing information protected from disclosure by state or federal law or protected
44 from disclosure as a trade secret, as defined in ORS 192.345, including compensation paid to pro-
45 viders by a coordinated care organization.

1 (4) The information described in subsection (3) of this section must be provided for each calen-
2 dar year beginning with 2020.

3 (5) The [authority] **department** shall post the information described in subsection (3) of this
4 section no later than August 1 of the year following the year for which the information is reported.

5 (6) The [Oregon Health Authority] **department** shall report all information described in sub-
6 sections (1) to (5) of this section that is made available to the public in a manner that is uniform
7 and sufficiently detailed to ensure accurate comparisons of the data between coordinated care or-
8 ganizations.

9 **SECTION 435.** ORS 414.595 is amended to read:

10 414.595. (1) As used in this section:

11 (a) “Coordinated care organization” has the meaning given that term in ORS 414.025.

12 (b) “Subcontractor” means an entity that contracts with a coordinated care organization to
13 provide health care, dental care, behavioral health care or other services to medical assistance re-
14 cipients enrolled in the coordinated care organization.

15 (2) The Oregon [Health Authority] **Department of Health** shall conduct one external quality
16 review of each coordinated care organization annually. The [authority] **department** may contract
17 with an external quality review organization to conduct the review.

18 (3) The [authority] **department** shall compile a standard list of documents that the [authority]
19 **department** or contracted review organization collects from coordinated care organizations and
20 subcontractors. When requesting information from a coordinated care organization about its sub-
21 contractors, the [authority] **department** or contracted review organization shall inform the coordi-
22 nated care organization of the documents on the standard list that have been collected from the
23 coordinated care organization’s subcontractors in the preceding 12-month period.

24 (4) The [authority] **department** or a contracted review organization may not request information
25 from a coordinated care organization that is duplicative of or redundant with information previously
26 provided by the coordinated care organization or a subcontractor if the information was provided
27 within the preceding 12-month period and the relevant content of the information has not changed.

28 (5) The [authority] **department** shall provide a contracted review organization with all infor-
29 mation about a coordinated care organization in the [authority’s] **department’s** possession as nec-
30 essary for the contracted review organization to conduct the external quality review. A contracted
31 review organization may not seek information from a coordinated care organization before first re-
32 questing the information from the [authority] **department**.

33 (6) This section does not apply to documents requested, submitted or collected in connection
34 with an audit for or an investigation of fraud, waste or abuse and does not:

35 (a) Prohibit a coordinated care organization from requesting from a subcontractor information
36 required by law or contract;

37 (b) Require the [authority] **department** or a contracted review organization to disclose to a co-
38 ordinated care organization any information described in this section collected from a coordinated
39 care organization or a subcontractor; or

40 (c) Permit the [authority] **department** or a contracted review organization to disclose to a co-
41 ordinated care organization confidential or proprietary information reported to the [authority] **de-**
42 **partment** or contracted review organization by another coordinated care organization or a
43 subcontractor.

44 **SECTION 436.** ORS 414.598 is amended to read:

45 414.598. (1) The Oregon [Health Authority] **Department of Health** shall encourage coordinated

1 care organizations to use alternative payment methodologies that:

2 (a) Reimburse providers on the basis of health outcomes and quality measures instead of the
3 volume of care;

4 (b) Hold organizations and providers responsible for the efficient delivery of quality care;

5 (c) Reward good performance;

6 (d) Limit increases in medical costs; and

7 (e) Use payment structures that create incentives to:

8 (A) Promote prevention;

9 (B) Provide person centered care; and

10 (C) Reward comprehensive care coordination using delivery models such as patient centered
11 primary care homes and behavioral health homes.

12 (2) The [authority] **department** shall encourage coordinated care organizations to utilize alter-
13 native payment methodologies that move from a predominantly fee-for-service system to payment
14 methods that base reimbursement on the quality rather than the quantity of services provided.

15 (3) A coordinated care organization that participates in a national primary care medical home
16 payment model, conducted by the Center for Medicare and Medicaid Innovation in accordance with
17 42 U.S.C. 1315a, that includes performance-based incentive payments for primary care, shall offer
18 similar alternative payment methodologies to all patient centered primary care homes identified in
19 accordance with ORS 413.259 that serve members of the coordinated care organization.

20 (4) The [authority] **department** shall assist and support coordinated care organizations in iden-
21 tifying cost-cutting measures.

22 (5) If a service provided in a health care facility is not covered by Medicare because the service
23 is related to a health care acquired condition, the cost of the service may not be:

24 (a) Charged by a health care facility or any health services provider employed by or with priv-
25 ileges at the facility, to a coordinated care organization, a patient or a third-party payer; or

26 (b) Reimbursed by a coordinated care organization.

27 (6)(a) Notwithstanding subsections (1) and (2) of this section, until July 1, 2014, a coordinated
28 care organization that contracts with a Type A or Type B hospital or a rural critical access hospi-
29 tal, as described in ORS 442.470, shall reimburse the hospital fully for the cost of covered services
30 based on the cost-to-charge ratio used for each hospital in setting the global payments to the coord-
31 inated care organization for the contract period.

32 (b) The [authority] **department** shall base the global payments to coordinated care organizations
33 that contract with rural hospitals described in this section on the most recent audited Medicare cost
34 report for Oregon hospitals adjusted to reflect the Medicaid mix of services.

35 (c) The [authority] **department** shall identify any rural hospital that would not be expected to
36 remain financially viable if paid in a manner other than as prescribed in paragraphs (a) and (b) of
37 this subsection based upon an evaluation by an actuary retained by the [authority] **department**. On
38 and after July 1, 2014, the [authority] **department** may, on a case-by-case basis, require a coordi-
39 nated care organization to continue to reimburse a rural hospital determined to be at financial risk,
40 in the manner prescribed in paragraphs (a) and (b) of this subsection.

41 (d) This subsection does not prohibit a coordinated care organization and a hospital from mu-
42 tually agreeing to reimbursement other than the reimbursement specified in paragraph (a) of this
43 subsection.

44 (e) Hospitals reimbursed under paragraphs (a) and (b) of this subsection are not entitled to any
45 additional reimbursement for services provided.

1 (7) Notwithstanding subsections (1) and (2) of this section, coordinated care organizations must
 2 comply with federal requirements for payments to providers of Indian health services, including but
 3 not limited to the requirements of 42 U.S.C. 1396j and 42 U.S.C. 1396u-2(a)(2)(C).

4 **SECTION 437.** ORS 414.605 is amended to read:

5 414.605. (1) The Oregon [*Health Authority*] **Department of Health** shall adopt by rule safe-
 6 guards for members enrolled in coordinated care organizations that protect against underutilization
 7 of services and inappropriate denials of services. In addition to any other consumer rights and re-
 8 sponsibilities established by law, each member:

9 (a) Must be encouraged to be an active partner in directing the member's health care and ser-
 10 vices and not a passive recipient of care.

11 (b) Must be educated about the coordinated care approach being used in the community, in-
 12 cluding the approach to addressing behavioral health care, and provided with any assistance needed
 13 regarding how to navigate the coordinated health care system.

14 (c) Must have access to advocates, including qualified peer wellness specialists, peer support
 15 specialists, personal health navigators, and qualified community health workers who are part of the
 16 member's care team to provide assistance that is culturally and linguistically appropriate to the
 17 member's need to access appropriate services and participate in processes affecting the member's
 18 care and services.

19 (d) Shall be encouraged within all aspects of the integrated and coordinated health care delivery
 20 system to use wellness and prevention resources and to make healthy lifestyle choices.

21 (e) Shall be encouraged to work with the member's care team, including providers and commu-
 22 nity resources appropriate to the member's needs as a whole person.

23 (2) The [*authority*] **department** shall establish and maintain an enrollment process for individ-
 24 uals who are dually eligible for Medicare and Medicaid that promotes continuity of care and that
 25 allows the member to disenroll from a coordinated care organization that fails to promptly provide
 26 adequate services and:

27 (a) To enroll in another coordinated care organization of the member's choice; or

28 (b) If another organization is not available, to receive Medicare-covered services on a fee-for-
 29 service basis.

30 (3) Members and their providers and coordinated care organizations have the right to appeal
 31 decisions about care and services through the [*authority*] **department** in an expedited manner and
 32 in accordance with the contested case procedures in ORS chapter 183.

33 (4) A health care entity may not unreasonably refuse to contract with an organization seeking
 34 to form a coordinated care organization if the participation of the entity is necessary for the or-
 35 ganization to qualify as a coordinated care organization.

36 (5) A health care entity may refuse to contract with a coordinated care organization if the re-
 37 imbursement established for a service provided by the entity under the contract is below the rea-
 38 sonable cost to the entity for providing the service.

39 (6) A health care entity that unreasonably refuses to contract with a coordinated care organ-
 40 ization may not receive fee-for-service reimbursement from the [*authority*] **department** for services
 41 that are available through a coordinated care organization either directly or by contract.

42 (7)(a) The [*authority*] **department** shall adopt by rule a process for resolving disputes involving:

43 (A) A health care entity's refusal to contract with a coordinated care organization under sub-
 44 sections (4) and (5) of this section.

45 (B) The termination, extension or renewal of a health care entity's contract with a coordinated

1 care organization.

2 (b) The processes adopted under this subsection must include the use of an independent third
3 party arbitrator.

4 (8) A coordinated care organization may not unreasonably refuse to contract with a licensed
5 health care provider.

6 (9) The [*authority*] **department** shall:

7 (a) Monitor and enforce consumer rights and protections within the Oregon Integrated and Co-
8 ordinated Health Care Delivery System and ensure a consistent response to complaints of violations
9 of consumer rights or protections.

10 (b) Monitor and report on the statewide health care expenditures and recommend actions ap-
11 propriate and necessary to contain the growth in health care costs incurred by all sectors of the
12 system.

13 **SECTION 438.** ORS 414.607 is amended to read:

14 414.607. (1) The Oregon [*Health Authority*] **Department of Health** shall ensure the appropriate
15 use of member information by coordinated care organizations, including the use of electronic health
16 information and administrative data that is available when and where the data is needed to improve
17 health and health care through a secure, confidential health information exchange.

18 (2) A member of a coordinated care organization must have access to the member's personal
19 health information in the manner provided in 45 C.F.R. 164.524 so the member can share the infor-
20 mation with others involved in the member's care and make better health care and lifestyle choices.

21 (3) Notwithstanding ORS 179.505, a coordinated care organization, its provider network and
22 programs administered by the Department of Human Services for seniors and persons with disabili-
23 ties shall use and disclose member information for purposes of service and care delivery, coordi-
24 nation, service planning, transitional services and reimbursement, in order to improve the safety and
25 quality of care, lower the cost of care and improve the health and well-being of the organization's
26 members.

27 (4) A coordinated care organization and its provider network shall use and disclose sensitive
28 diagnosis information including blood-borne infections and other health and mental health diagnoses,
29 within the coordinated care organization for the purpose of providing whole-person care. Individ-
30 ually identifiable health information must be treated as confidential and privileged information sub-
31 ject to ORS 192.553 to 192.581 and applicable federal privacy requirements. Redisclosure of
32 individually identifiable information outside of the coordinated care organization and the
33 organization's providers for purposes unrelated to this section or the requirements of ORS 413.032,
34 414.572, 414.598, 414.605, 414.632, 414.638 or 414.655 remains subject to any applicable federal or
35 state privacy requirements.

36 (5) This section does not prohibit the disclosure of information between a coordinated care or-
37 ganization and the organization's provider network, and the Oregon [*Health Authority*] **Department**
38 **of Health** and the Department of Human Services for the purpose of administering the laws of
39 Oregon.

40 (6) The Health Information Technology Oversight Council shall develop readily available infor-
41 mational materials that can be used by coordinated care organizations and providers to inform all
42 participants in the health care workforce about the appropriate uses and limitations on disclosure
43 of electronic health records, including need-based access and privacy mandates.

44 **SECTION 439.** ORS 414.609 is amended to read:

45 414.609. (1) A coordinated care organization that contracts with the Oregon [*Health Authority*]

1 **Department of Health** must maintain a network of providers sufficient in numbers and areas of
2 practice and geographically distributed in a manner to ensure that the health services provided
3 under the contract are reasonably accessible to members.

4 (2) A member may transfer from one organization to another organization no more than once
5 during each enrollment period.

6 **SECTION 440.** ORS 414.611 is amended to read:

7 414.611. (1) The Oregon [*Health Authority*] **Department of Health** may approve the transfer of
8 500 or more members from one coordinated care organization to another coordinated care organ-
9 ization if:

10 (a) The members' provider has contracted with the receiving organization and has stopped ac-
11 cepting patients from or has terminated providing services to members of the transferring organ-
12 ization; and

13 (b) Members are offered the choice of remaining members of the transferring organization.

14 (2) Members may not be transferred under this section until the [*authority*] **department** has
15 evaluated the receiving organization and determined that the organization meets criteria established
16 by the [*authority*] **department** by rule, including but not limited to criteria that ensure that the
17 organization meets the requirements of ORS 414.609 (1).

18 (3) The [*authority*] **department** shall provide notice of a transfer under this section to members
19 that will be affected by the transfer at least 90 days before the scheduled date of the transfer.

20 (4)(a) The [*authority*] **department** may not approve the transfer of members under this section
21 if:

22 (A) The transfer results from the termination of a provider's contract with a coordinated care
23 organization for just cause; and

24 (B) The coordinated care organization has notified the [*authority*] **department** that the
25 provider's contract was terminated for just cause.

26 (b) A provider is entitled to a contested case hearing in accordance with ORS chapter 183, on
27 an expedited basis, to dispute the denial of a transfer of members under this subsection.

28 (c) As used in this subsection, "just cause" means that the contract was terminated for reasons
29 related to quality of care, competency, fraud or other similar reasons prescribed by the [*authority*]
30 **department** by rule.

31 (5) The provider and the organization shall be the parties to any contested case proceeding to
32 determine whether the provider's contract was terminated for just cause. The [*authority*] **depart-**
33 **ment** may award attorney fees and costs to the party prevailing in the proceeding, applying the
34 factors in ORS 20.075.

35 **SECTION 441.** ORS 414.613 is amended to read:

36 414.613. (1) A coordinated care organization may not discriminate with respect to participation
37 in the organization or coverage against any health care provider who is acting within the scope of
38 the provider's license or certification under applicable state law. This section does not require that
39 an organization contract with any health care provider willing to abide by the terms and conditions
40 for participation established by the organization. This section does not prevent an organization from
41 establishing varying reimbursement rates based on quality or performance measures.

42 (2) An organization may establish an internal review process for a provider aggrieved under this
43 section, including an alternative dispute resolution or peer review process. An aggrieved provider
44 may appeal the determination of the internal review to the Oregon [*Health Authority*] **Department**
45 **of Health**.

1 (3) The *[authority]* **department** shall adopt by rule a process for resolving claims of discrimi-
 2 nation under this section and, in making a determination of whether there has been discrimination,
 3 must consider the organization's:

- 4 (a) Network adequacy;
- 5 (b) Provider types and qualifications;
- 6 (c) Provider disciplines; and
- 7 (d) Provider reimbursement rates.

8 (4) A prevailing party in an appeal under this section shall be awarded the costs of the appeal.

9 **SECTION 442.** ORS 414.619 is amended to read:

10 414.619. (1) The Oregon *[Health Authority]* **Department of Health** and the Department of Hu-
 11 man Services shall cooperate with each other by coordinating actions and responsibilities necessary
 12 to implement the Oregon Integrated and Coordinated Health Care Delivery System established in
 13 ORS 414.570.

14 (2) The *[authority and the department]* **departments** may delegate to each other any duties,
 15 functions or powers that the *[authority]* **Oregon Department of Health** or **Department of Human**
 16 **Services is** *[are]* authorized to perform if necessary to carry out this section and ORS 414.572,
 17 414.598, 414.605, 414.607, 414.632, 414.638, 414.654, 414.655 and 414.665.

18 **SECTION 443.** ORS 414.628 is amended to read:

19 414.628. (1) Upon the request of a coordinated care organization, the Oregon *[Health Authority]*
 20 **Department of Health** shall assign to the coordinated care organization one employee of the *[au-*
 21 *thority]* **department**, called an innovator agent, to act as the single point of contact between the
 22 coordinated care organization and the *[authority]* **department**. The innovator agent must be avail-
 23 able to the organization on a day-to-day basis to facilitate the exchange of information between the
 24 coordinated care organization and the *[authority]* **department**. The organization may provide a work
 25 space to enable the agent to be colocated at a site of the coordinated care organization if practical.

26 (2) Innovator agents must observe the meetings of the community advisory councils and report
 27 on the meetings to the *[authority]* **department**.

28 (3) Not less than once every calendar quarter, all of the innovator agents must meet in person
 29 to discuss the ideas, projects and creative innovations planned or undertaken by their assigned co-
 30 ordinated care organizations.

31 (4) The innovator agent shall be made available by the *[authority]* **department** for a period of
 32 four years beginning on the date that the coordinated care organization first contracts with the
 33 *[authority]* **department** to be a coordinated care organization. Upon the request of the coordinated
 34 care organization, the *[authority]* **department** may extend the period.

35 **SECTION 444.** ORS 414.631 is amended to read:

36 414.631. (1) Except as provided in subsections (2), (3), (4) and (5) of this section and ORS 414.632
 37 (2), a person who is eligible for or receiving health services must be enrolled in a coordinated care
 38 organization to receive the health services for which the person is eligible. For purposes of this
 39 subsection, Medicaid-funded long term care services do not constitute health services.

40 (2) Subsections (1) and (4) of this section do not apply to:

41 (a) A person who is a noncitizen and who is eligible only for labor and delivery services and
 42 emergency treatment services;

43 (b) A person who is an American Indian and Alaska Native beneficiary;

44 (c) An individual described in ORS 414.632 (2) who is dually eligible for Medicare and Medicaid
 45 and enrolled in a program of all-inclusive care for the elderly; and

1 (d) A person whom the Oregon [*Health Authority*] **Department of Health** may by rule exempt
 2 from the mandatory enrollment requirement of subsection (1) of this section, including but not lim-
 3 ited to:

4 (A) A person who is also eligible for Medicare;

5 (B) A woman in her third trimester of pregnancy at the time of enrollment;

6 (C) A person under 19 years of age who has been placed in adoptive or foster care out of state;

7 (D) A person under 18 years of age who is medically fragile and who has special health care
 8 needs;

9 (E) A person receiving services under the Medically Involved Home-Care Program created by
 10 ORS 417.345 (1); and

11 (F) A person with major medical coverage.

12 (3) Subsection (1) of this section does not apply to a person who resides in an area that is not
 13 served by a coordinated care organization or where the organization's provider network is inade-
 14 quate.

15 (4) In any area that is not served by a coordinated care organization but is served by a prepaid
 16 managed care health services organization, a person must enroll with the prepaid managed care
 17 health services organization to receive any of the health services offered by the prepaid managed
 18 care health services organization.

19 (5) As used in this section, "American Indian and Alaska Native beneficiary" means:

20 (a) A member of a federally recognized Indian tribe;

21 (b) An individual who resides in an urban center and:

22 (A) Is a member of a tribe, band or other organized group of Indians, including those tribes,
 23 bands or groups whose recognition was terminated since 1940 and those recognized now or in the
 24 future by the state in which the member resides, or who is a descendant in the first or second de-
 25 gree of such a member;

26 (B) Is an Eskimo or Aleut or other Alaska Native; or

27 (C) Is determined to be an Indian under regulations promulgated by the United States Secretary
 28 of the Interior;

29 (c) A person who is considered by the United States Secretary of the Interior to be an Indian
 30 for any purpose; or

31 (d) An individual who is considered by the United States Secretary of Health and Human Ser-
 32 vices to be an Indian for purposes of eligibility for Indian health care services, including as a
 33 California Indian, Eskimo, Aleut or other Alaska Native.

34 **SECTION 445.** ORS 414.632 is amended to read:

35 414.632. (1) Subject to the Oregon [*Health Authority*] **Department of Health** obtaining any
 36 necessary authorization from the Centers for Medicare and Medicaid Services, coordinated care or-
 37 ganizations that meet the criteria adopted under ORS 414.572 are responsible for providing covered
 38 Medicare and Medicaid services, other than Medicaid-funded long term care services, to members
 39 who are dually eligible for Medicare and Medicaid in addition to medical assistance recipients.

40 (2) An individual who is dually eligible for Medicare and Medicaid shall be permitted to enroll
 41 in and remain enrolled in a:

42 (a) Program of all-inclusive care for the elderly, as defined in 42 C.F.R. 460.6; and

43 (b) Medicare Advantage plan, as defined in 42 C.F.R. 422.2, until the plan is fully integrated into
 44 a coordinated care organization.

45 (3) Except for the enrollment in coordinated care organizations of individuals who are dually

1 eligible for Medicare and Medicaid, the rights and benefits of Medicare beneficiaries under Title
2 XVIII of the Social Security Act shall be preserved.

3 **SECTION 446.** ORS 414.638 is amended to read:

4 414.638. (1) There is created in the Health Plan Quality Metrics Committee a nine-member met-
5 rics and scoring subcommittee appointed by the Director of the Oregon [*Health Authority*] **Depart-**
6 **ment of Health**. The members of the subcommittee serve two-year terms and must include:

- 7 (a) Three members at large;
- 8 (b) Three individuals with expertise in health outcomes measures; and
- 9 (c) Three representatives of coordinated care organizations.

10 (2) The subcommittee shall select, from the health outcome and quality measures identified by
11 the Health Plan Quality Metrics Committee, the health outcome and quality measures applicable to
12 services provided by coordinated care organizations. The Oregon [*Health Authority*] **Department**
13 **of Health** shall incorporate these measures into coordinated care organization contracts to hold the
14 organizations accountable for performance and customer satisfaction requirements. The [*authority*]
15 **department** shall notify each coordinated care organization of any changes in the measures at least
16 three months before the beginning of the contract period during which the new measures will be in
17 place.

18 (3) The subcommittee shall evaluate the health outcome and quality measures annually, report-
19 ing recommendations based on its findings to the Health Plan Quality Metrics Committee, and adjust
20 the measures to reflect:

- 21 (a) The amount of the global budget for a coordinated care organization;
- 22 (b) Changes in membership of the organization;
- 23 (c) The organization's costs for implementing outcome and quality measures; and
- 24 (d) The community health assessment and the costs of the community health assessment con-
25 ducted by the organization under ORS 414.575.

26 (4) The [*authority*] **department** shall evaluate on a regular and ongoing basis the outcome and
27 quality measures selected by the subcommittee under this section for members in each coordinated
28 care organization and for members statewide.

29 **SECTION 447.** ORS 414.654 is amended to read:

30 414.654. (1)(a) The Oregon [*Health Authority*] **Department of Health** shall continue to contract
31 with one or more prepaid managed care health services organizations, as defined in ORS 414.025,
32 that are in compliance with contractual obligations owed to the state or local government on July
33 27, 2015, and that serve:

34 (A) A geographic area of the state that a coordinated care organization has not been certified
35 to serve; or

36 (B) Individuals described in ORS 414.631 (2), (3) and (4).

37 (b) Contracts authorized by this subsection are not subject to ORS chapters 279A and 279B,
38 except ORS 279A.250 to 279A.290 and 279B.235.

39 (2) Prepaid managed care health services organizations contracting with the [*authority*] **de-**
40 **partment** under this section are subject to the applicable requirements for, and are permitted to
41 exercise the rights of, coordinated care organizations under ORS 414.153, 414.572, 414.591, 414.605,
42 414.607, 414.638, 414.655, 414.712, 414.728, 414.743, 414.746, 414.760, 416.510 to 416.610, 441.094,
43 442.372, 655.515, 659.830 and 743B.470.

44 (3) To facilitate the full adoption of health information technology by coordinated care organ-
45 izations, patient centered primary care homes and behavioral health homes, the [*authority*] **depart-**

1 **ment** shall explore options for assisting providers and coordinated care organizations in funding
2 their use of health information technology.

3 **SECTION 448.** ORS 414.655 is amended to read:

4 414.655. (1) The Oregon [*Health Authority*] **Department of Health** shall establish standards for
5 the utilization of patient centered primary care homes and behavioral health homes by coordinated
6 care organizations.

7 (2) Each coordinated care organization shall implement, to the maximum extent feasible, patient
8 centered primary care homes and behavioral health homes, including developing capacity for ser-
9 vices in settings that are accessible to families, diverse communities and underserved populations,
10 including the provision of integrated health care. The organization shall require its other health and
11 services providers to communicate and coordinate care with the patient centered primary care home
12 or behavioral health home in a timely manner using electronic health information technology.

13 (3) Standards established by the [*authority*] **department** for the utilization of patient centered
14 primary care homes and behavioral health homes by coordinated care organizations may require the
15 use of federally qualified health centers, rural health clinics, school-based health clinics and other
16 safety net providers that qualify as patient centered primary care homes or behavioral health homes
17 to ensure the continued critical role of those providers in meeting the needs of underserved popu-
18 lations.

19 (4) In order to promote the full integration of behavioral health and physical health services in
20 primary care, behavioral health care and urgent care settings, providers in patient centered primary
21 care homes and behavioral health homes may use billing codes applicable to the behavioral health
22 and physical health services that are provided.

23 (5) Each coordinated care organization shall report to the [*authority*] **department** on uniform
24 quality measures prescribed by the [*authority*] **department** by rule for patient centered primary care
25 homes and behavioral health homes.

26 (6) Patient centered primary care homes and behavioral health homes must participate in the
27 learning collaborative described in ORS 413.259 (3).

28 **SECTION 449.** ORS 414.665 is amended to read:

29 414.665. (1) As used in this section, “traditional health worker” includes any of the following:

- 30 (a) A community health worker.
- 31 (b) A personal health navigator.
- 32 (c) A peer wellness specialist.
- 33 (d) A peer support specialist.
- 34 (e) A doula.
- 35 (f) A tribal traditional health worker.

36 (2) In consultation with the Traditional Health Workers Commission established under ORS
37 413.600, the Oregon [*Health Authority*] **Department of Health**, for purposes related to the regu-
38 lation of traditional health workers, shall adopt by rule:

- 39 (a) The qualification criteria, including education and training requirements, for the traditional
40 health workers utilized by coordinated care organizations;
- 41 (b) Appropriate professional designations for supervisors of the traditional health workers; and
- 42 (c) Processes by which other occupational classifications may be approved to supervise the tra-
43 ditional health workers.

44 (3) The criteria and requirements established under subsection (2) of this section:

- 45 (a) Must be broad enough to encompass the potential unique needs of any coordinated care or-

1 ganization;

2 (b) Must meet requirements of the Centers for Medicare and Medicaid Services to qualify for
3 federal financial participation; and

4 (c) May not require certification by the Home Care Commission.

5 **SECTION 450.** ORS 414.667 is amended to read:

6 414.667. As used in ORS 414.667, 414.668 and 414.669, “doula” means an individual who meets
7 criteria for a doula adopted by the Oregon [*Health Authority*] **Department of Health** in accordance
8 with ORS 414.665.

9 **SECTION 451.** ORS 414.669 is amended to read:

10 414.669. The Oregon [*Health Authority*] **Department of Health**, in coordination with the Tradi-
11 tional Health Workers Commission, shall in each even-numbered year review, and revise if neces-
12 sary, any rates of reimbursement for doulas. When reviewing and revising rates of reimbursement,
13 the [*authority*] **department** shall consider factors including retention of doulas, access to culturally
14 specific doulas and evidence-based factors and empirical studies related to the cost-effectiveness of
15 services provided by doulas.

16 **SECTION 452.** ORS 414.686 is amended to read:

17 414.686. (1) A coordinated care organization shall provide an initial health assessment on any
18 child enrolled in the coordinated care organization who is in the custody of the Department of Hu-
19 man Services no later than 60 days after the date that the Oregon [*Health Authority*] **Department**
20 **of Health** notifies the coordinated care organization that the child has been taken into the
21 [*department’s*] custody **of the Department of Human Services**. The assessment must be performed
22 in accordance with metrics established by the metrics and scoring subcommittee created in ORS
23 414.638.

24 (2) If a child has not received an initial health assessment by the date specified in subsection
25 (1) of this section, the coordinated care organization shall act affirmatively to locate the child and
26 make arrangements for an initial health assessment.

27 **SECTION 453.** ORS 414.688 is amended to read:

28 414.688. (1) As used in this section:

29 (a) “Practice of pharmacy” has the meaning given that term in ORS 689.005.

30 (b) “Retail drug outlet” has the meaning given that term in ORS 689.005.

31 (2) The Health Evidence Review Commission is established in the Oregon [*Health Authority*]
32 **Department of Health**, consisting of 13 members appointed by the Governor in consultation with
33 professional and other interested organizations, and confirmed by the Senate, as follows:

34 (a) Five members must be physicians licensed to practice medicine in this state who have clin-
35 ical expertise in the areas of family medicine, internal medicine, obstetrics, perinatal health,
36 pediatrics, disabilities, geriatrics or general surgery. One of the physicians must be a doctor of
37 osteopathic medicine, and one must be a hospital representative or a physician whose practice is
38 significantly hospital-based.

39 (b) One member must be a dentist licensed under ORS chapter 679 who has clinical expertise
40 in general, pediatric or public health dentistry.

41 (c) One member must be a public health nurse.

42 (d) One member must be a behavioral health representative who may be a social services
43 worker, alcohol and drug treatment provider, psychologist or psychiatrist.

44 (e) Two members must be consumers of health care who are patient advocates or represent the
45 areas of indigent services, labor, business, education or corrections.

1 (f) One member must be a complementary or alternative medicine provider who is a chiropractic
2 physician licensed under ORS chapter 684, a naturopathic physician licensed under ORS chapter 685
3 or an acupuncturist licensed under ORS chapter 677.

4 (g) One member must be an insurance industry representative who may be a medical director
5 or other administrator.

6 (h) One member must be a pharmacy representative who engages in the practice of pharmacy
7 at a retail drug outlet.

8 (3) No more than six members of the commission may be physicians either in active practice or
9 retired from practice.

10 (4) Members of the commission serve for a term of four years at the pleasure of the Governor.
11 A member is eligible for reappointment.

12 (5) Members are not entitled to compensation, but may be reimbursed for actual and necessary
13 travel and other expenses incurred by them in the performance of their official duties in the manner
14 and amounts provided for in ORS 292.495. Claims for expenses shall be paid out of funds available
15 to the Oregon [*Health Authority*] **Department of Health** for purposes of the commission.

16 **SECTION 454.** ORS 414.689 is amended to read:

17 414.689. (1) The Health Evidence Review Commission shall select one of its members as chair-
18 person and another as vice chairperson, for terms and with duties and powers the commission de-
19 termines necessary for the performance of the functions of the offices.

20 (2) A majority of the members of the commission constitutes a quorum for the transaction of
21 business.

22 (3) The commission shall meet at least four times per year at a place, day and hour determined
23 by the chairperson. The commission also shall meet at other times and places specified by the call
24 of the chairperson or of a majority of the members of the commission.

25 (4) The commission may use advisory committees or subcommittees whose members are ap-
26 pointed by the chairperson of the commission subject to approval by a majority of the members of
27 the commission. The advisory committees or subcommittees may contain experts appointed by the
28 chairperson and a majority of the members of the commission. The conditions of service of the ex-
29 perts will be determined by the chairperson and a majority of the members of the commission.

30 (5) The Oregon [*Health Authority*] **Department of Health** shall provide staff and support ser-
31 vices to the commission.

32 **SECTION 455.** ORS 414.690 is amended to read:

33 414.690. (1) The Health Evidence Review Commission shall regularly solicit testimony and in-
34 formation from stakeholders representing consumers, advocates, providers, carriers and employers
35 in conducting the work of the commission.

36 (2) The commission shall actively solicit public involvement through a public meeting process
37 to guide health resource allocation decisions.

38 (3) The commission shall develop and maintain a list of health services ranked by priority, from
39 the most important to the least important, representing the comparative benefits of each service to
40 the population to be served. The list must be submitted by the commission pursuant to subsection
41 (5) of this section and is not subject to alteration by any other state agency.

42 (4) In order to encourage effective and efficient medical evaluation and treatment, the commis-
43 sion:

44 (a) May include clinical practice guidelines in its prioritized list of services. The commission
45 shall actively solicit testimony and information from the medical community and the public to build

1 a consensus on clinical practice guidelines developed by the commission.

2 (b) May include statements of intent in its prioritized list of services. Statements of intent should
3 give direction on coverage decisions where medical codes and clinical practice guidelines cannot
4 convey the intent of the commission.

5 (c) Shall consider both the clinical effectiveness and cost-effectiveness of health services, in-
6 cluding drug therapies, in determining their relative importance using peer-reviewed medical litera-
7 ture as defined in ORS 743A.060.

8 (5) The commission shall report the prioritized list of services to the Oregon [*Health Authority*]
9 **Department of Health** for budget determinations by July 1 of each even-numbered year.

10 (6) The commission shall make its report during each regular session of the Legislative Assem-
11 bly and shall submit a copy of its report to the Governor, the Speaker of the House of Represen-
12 tatives and the President of the Senate.

13 (7) The commission may alter the list during the interim only as follows:

14 (a) To make technical changes to correct errors and omissions;

15 (b) To accommodate changes due to advancements in medical technology or new data regarding
16 health outcomes;

17 (c) To accommodate changes to clinical practice guidelines; and

18 (d) To add statements of intent that clarify the prioritized list.

19 (8) If a service is deleted or added during an interim and no new funding is required, the com-
20 mission shall report to the Speaker of the House of Representatives and the President of the Senate.
21 However, if a service to be added requires increased funding to avoid discontinuing another service,
22 the commission shall report to the Emergency Board to request the funding.

23 (9) The prioritized list of services remains in effect for a two-year period beginning no earlier
24 than October 1 of each odd-numbered year.

25 **SECTION 456.** ORS 414.695 is amended to read:

26 414.695. (1) As used in this section and ORS 414.698:

27 (a) "Medical technology" means medical equipment and devices, medical or surgical procedures
28 and techniques used by health care providers in delivering medical care to individuals, and the or-
29 ganizational or supportive systems within which medical care is delivered.

30 (b) "Medical technology assessment" means evaluation of the use, clinical effectiveness and cost
31 of a technology in comparison with its alternatives.

32 (2) The Health Evidence Review Commission shall develop a medical technology assessment
33 process. The Oregon [*Health Authority*] **Department of Health** shall direct the commission with
34 regard to medical technologies to be assessed and the timing of the assessments.

35 (3) The commission shall appoint and work with an advisory committee whose members have the
36 appropriate expertise to conduct a medical technology assessment.

37 (4) The commission shall present its preliminary findings at a public hearing and shall solicit
38 testimony and information from health care consumers. The commission shall give strong consider-
39 ation to the recommendations of the advisory committee and public testimony in developing its as-
40 sessment.

41 (5) To ensure that confidentiality is maintained, identification of a patient or a person licensed
42 to provide health services may not be included with the data submitted under this section, and the
43 commission shall release such data only in aggregate statistical form. All findings and conclusions,
44 interviews, reports, studies, communications and statements procured by or furnished to the com-
45 mission in connection with obtaining the data necessary to perform its functions is confidential

1 pursuant to ORS 192.338, 192.345 and 192.355.

2 **SECTION 457.** ORS 414.698 is amended to read:

3 414.698. (1) The Health Evidence Review Commission shall conduct comparative effectiveness
4 research of medical technologies selected in accordance with ORS 414.695. The commission may
5 conduct the research by comprehensive review of the comparative effectiveness research undertaken
6 by recognized state, national or international entities. The commission may consider evidence re-
7 lating to prescription drugs that is relevant to a medical technology assessment but may not conduct
8 a drug class evidence review or medical technology assessment solely of a prescription drug. The
9 commission shall disseminate the research findings to health care consumers, providers and third-
10 party payers and to other interested stakeholders.

11 (2) The commission shall develop or identify and shall disseminate evidence-based health care
12 guidelines for use by providers, consumers and purchasers of health care in Oregon.

13 (3) The Oregon [*Health Authority*] **Department of Health** shall vigorously pursue health care
14 purchasing strategies that adopt the research findings described in subsection (1) of this section and
15 the evidence-based health care guidelines described in subsection (2) of this section.

16 **SECTION 458.** ORS 414.706 is amended to read:

17 414.706. Within available funds and subject to the rules of the Oregon [*Health Authority*] **De-**
18 **partment of Health**, medical assistance shall be provided to an individual who is a resident of this
19 state and who:

20 (1) Is receiving a category of aid;

21 (2) Would be eligible for a category of aid but is not receiving a category of aid;

22 (3) Is required by federal law to be included in the state's medical assistance program in order
23 for that program to qualify for federal funds; and

24 (4) Is not described in subsection (3) of this section but for whom federal funding is available
25 under Title XIX or XXI of the Social Security Act.

26 **SECTION 459.** ORS 414.709 is amended to read:

27 414.709. If insufficient resources are available during a biennium, the population of eligible per-
28 sons receiving health services may not be reduced below the population of eligible persons approved
29 and funded in the legislatively adopted budget for the Oregon [*Health Authority*] **Department of**
30 **Health** for the biennium.

31 **SECTION 460.** ORS 414.712 is amended to read:

32 414.712. The Oregon [*Health Authority*] **Department of Health** shall provide health services
33 under ORS 414.591, 414.631 and 414.688 to 414.745 to eligible persons who are determined eligible
34 for medical assistance as defined in ORS 414.025. The Oregon [*Health Authority*] **Department of**
35 **Health** shall also provide the following:

36 (1) Ombudsman services for individuals who receive medical assistance under ORS 411.706 and
37 for recipients who are members of coordinated care organizations. With the concurrence of the
38 Governor and the Oregon Health Policy Board, the Director of the Oregon [*Health Authority*] **De-**
39 **partment of Health** shall appoint ombudsmen and may terminate an ombudsman. Ombudsmen are
40 under the supervision and control of the director. An ombudsman shall serve as a recipient's advo-
41 cate whenever the recipient or a physician or other medical personnel serving the recipient is rea-
42 sonably concerned about access to, quality of or limitations on the care being provided by a health
43 care provider or a coordinated care organization. Recipients shall be informed of the availability of
44 an ombudsman. Ombudsmen shall report to the Governor and the Oregon Health Policy Board in
45 writing at least once each quarter. A report shall include a summary of the services that the om-

1 budsman provided during the quarter and the ombudsman’s recommendations for improving om-
 2 budsman services and access to or quality of care provided to eligible persons by health care
 3 providers and coordinated care organizations.

4 (2) Case management services in each health care provider organization or coordinated care
 5 organization for those individuals who receive assistance under ORS 411.706. Case managers shall
 6 be trained in and shall exhibit skills in communication with and sensitivity to the unique health care
 7 needs of individuals who receive assistance under ORS 411.706. Case managers shall be reasonably
 8 available to assist recipients served by the organization with the coordination of the recipient’s
 9 health services at the reasonable request of the recipient or a physician or other medical personnel
 10 serving the recipient. Recipients shall be informed of the availability of case managers.

11 (3) A mechanism, established by rule, for soliciting consumer opinions and concerns regarding
 12 accessibility to and quality of the services of each health care provider.

13 (4) A choice of available medical plans and, within those plans, choice of a primary care pro-
 14 vider.

15 (5) Due process procedures for any individual whose request for medical assistance coverage for
 16 any treatment or service is denied or is not acted upon with reasonable promptness. These proce-
 17 dures shall include an expedited process for cases in which a recipient’s medical needs require swift
 18 resolution of a dispute. An ombudsman described in subsection (1) of this section may not act as
 19 the recipient’s representative during any grievance or hearing process.

20 **SECTION 461.** ORS 414.717 is amended to read:

21 414.717. (1) As used in this section:

22 (a) “Interdisciplinary team” means a group composed of the following individuals who are
 23 trained or certified in palliative care:

- 24 (A) A case manager who is a registered nurse licensed under ORS 678.010 to 678.410;
- 25 (B) A medical social worker; and
- 26 (C) A physician or other primary care provider.

27 (b) “Palliative care services” includes:

- 28 (A) Palliative care assessment;
- 29 (B) Advanced care planning including a discussion regarding completing a POLST;
- 30 (C) Case management and care coordination provided by a registered nurse in an interdiscipli-
 31 nary team;
- 32 (D) Pain and symptom management;
- 33 (E) Mental health and medical social work services;
- 34 (F) Twenty-four hour clinical telephone support;
- 35 (G) Spiritual care services; and
- 36 (H) Other services prescribed by the Oregon [*Health Authority*] **Department of Health** by rule.

37 (c) “POLST” has the meaning given that term in ORS 127.663.

38 (d) “Residential care facility” has the meaning given that term in ORS 443.400.

39 (e) “Skilled nursing facility” has the meaning given that term in ORS 442.015.

40 (2) The [*authority*] **department** shall administer a program to provide palliative care services
 41 through coordinated care organizations. The [*authority*] **department** shall adopt by rule the eligi-
 42 bility requirements and provider qualifications for the program including but not limited to all of the
 43 following:

44 (a) A patient qualifies for palliative care services under the program if the patient:

- 45 (A) Has been diagnosed with a serious illness with a life-limiting prognosis that negatively im-

1 pacts the patient's quality of life or the quality of life of the patient's caregiver; and

2 (B) Palliative care is ordered by the patient's physician or other primary care provider.

3 (b) The palliative care services, as determined and provided by an interdisciplinary team, must
4 be provided in the patient's choice of residence.

5 (c) A provider of palliative care services under the program and a coordinated care organization
6 shall determine the reimbursement paid for services by mutual agreement.

7 (3) A residential care facility or a skilled nursing facility is not subject to the rules adopted by
8 the [authority] **department** under subsection (2) of this section in the provision or arrangement of
9 palliative care services for residents of the facilities.

10 **SECTION 462.** ORS 414.719 is amended to read:

11 414.719. The Oregon [Health Authority] **Department of Health** shall adopt by rule requirements
12 for coordinated care organizations to provide housing navigation services and address the social
13 determinants of health through care coordination.

14 **SECTION 463.** ORS 414.723 is amended to read:

15 414.723. (1) As used in this section:

16 (a)(A) "Audio only" means the use of audio telephone technology, permitting real-time commu-
17 nication between a health care provider and a patient for the purpose of diagnosis, consultation or
18 treatment.

19 (B) "Audio only" does not include:

20 (i) The use of facsimile, electronic mail or text messages.

21 (ii) The delivery of health services that are customarily delivered by audio telephone technology
22 and customarily not billed as separate services by a health care provider, such as the sharing of
23 laboratory results.

24 (b) "Telemedicine" means the mode of delivering health services using information and tele-
25 communication technologies to provide consultation and education or to facilitate diagnosis, treat-
26 ment, care management or self-management of a patient's health care.

27 (2) To encourage the efficient use of resources and to promote cost-effective procedures in ac-
28 cordance with ORS 413.011 (1)(L), the Oregon [Health Authority] **Department of Health** shall re-
29 imburse the cost of health services delivered using telemedicine, including but not limited to:

30 (a) Health services transmitted via landlines, wireless communications, the Internet and tele-
31 phone networks;

32 (b) Synchronous or asynchronous transmissions using audio only, video only, audio and video
33 and transmission of data from remote monitoring devices; and

34 (c) Communications between providers or between one or more providers and one or more pa-
35 tients, family members, caregivers or guardians.

36 (3)(a) The [authority] **department** shall pay the same reimbursement for a health service re-
37 gardless of whether the service is provided in person or using any permissible telemedicine appli-
38 cation or technology.

39 (b) Paragraph (a) of this subsection does not prohibit the use of value-based payment methods,
40 including global budgets or capitated, bundled, risk-based or other value-based payment methods, and
41 does not require that any value-based payment method reimburse telemedicine health services based
42 on an equivalent fee-for-service rate.

43 (4) The [authority] **department** shall include the costs of telemedicine services in its rate as-
44 sumptions for payments made to clinics or other providers on a prepaid capitated basis.

45 (5) This section does not require the [authority] **department** or a coordinated care organization

1 to pay a provider for a service that is not included within the Healthcare Procedure Coding System
2 or the American Medical Association's Current Procedural Terminology codes.

3 (6) The [authority] **department** shall adopt rules to ensure that coordinated care organizations
4 reimburse the cost of health services delivered using telemedicine, consistent with subsections (2)
5 and (3) of this section.

6 **SECTION 464.** ORS 414.726 is amended to read:

7 414.726. (1) As used in this section:

8 (a) "Certified health care interpreter" has the meaning given that term in ORS 413.550.

9 (b) "Qualified health care interpreter" has the meaning given that term in ORS 413.550.

10 (2) The Oregon [Health Authority] **Department of Health** shall adopt rules to ensure that a
11 coordinated care organization, in accordance with ORS 414.572 (2)(e), and any other health care
12 provider that is reimbursed for the cost of health care by the state medical assistance program:

13 (a) Works with a certified health care interpreter or a qualified health care interpreter when
14 interacting with a recipient of medical assistance, or a caregiver of a recipient of medical assist-
15 ance, who has limited English proficiency or who communicates in signed language; and

16 (b) Is reimbursed for the cost of the certified health care interpreter or qualified health care
17 interpreter.

18 **SECTION 465.** ORS 414.728 is amended to read:

19 414.728. For services provided on a fee-for-service basis to persons who are entitled to receive
20 medical assistance, the Oregon [Health Authority] **Department of Health** shall reimburse Type A
21 and Type B hospitals and rural critical access hospitals, as described in ORS 442.470 and identified
22 by the Office of Rural Health as rural hospitals, fully for the cost of covered services based on the
23 most recent audited Medicare cost report for Oregon hospitals adjusted to reflect the Medicaid mix
24 of services.

25 **SECTION 466.** ORS 414.735 is amended to read:

26 414.735. (1) If insufficient resources are available during a contract period:

27 (a) The population of eligible persons determined by law may not be reduced.

28 (b) The reimbursement rate for providers and plans established under the contractual agreement
29 may not be reduced.

30 (2) In the circumstances described in subsection (1) of this section, reimbursement shall be ad-
31 justed by reducing the health services for the eligible population by eliminating services in the order
32 of priority recommended by the Health Evidence Review Commission, starting with the least im-
33 portant and progressing toward the most important.

34 (3) The Oregon [Health Authority] **Department of Health** shall obtain the approval of the Leg-
35 islative Assembly, or the Emergency Board if the Legislative Assembly is not in session, before in-
36 stituting the reductions. In addition, providers contracting to provide health services under ORS
37 414.591, 414.631 and 414.688 to 414.745 must be notified at least two weeks prior to any legislative
38 consideration of such reductions. Any reductions made under this section shall take effect no sooner
39 than 60 days following final legislative action approving the reductions.

40 (4) This section does not apply to reductions made by the Legislative Assembly in a legislatively
41 adopted or approved budget.

42 **SECTION 467.** ORS 414.742 is amended to read:

43 414.742. The Oregon [Health Authority] **Department of Health** may not establish capitation
44 rates or global budgets that include payment for mental health drugs. The [authority] **department**
45 shall reimburse pharmacy providers for mental health drugs only on a fee-for-service payment basis.

1 **SECTION 468.** ORS 414.743 is amended to read:

2 414.743. (1) Except as provided in subsection (2) of this section, a coordinated care organization
3 that does not have a contract with a hospital to provide inpatient or outpatient hospital services
4 under ORS 414.591, 414.631 and 414.688 to 414.745 must, using Medicare payment methodology, re-
5 imburse the noncontracting hospital for services provided to a member of the organization at a rate
6 no less than a percentage of the Medicare reimbursement rate for those services. The percentage
7 of the Medicare reimbursement rate that is used to determine the reimbursement rate under this
8 subsection is equal to four percentage points less than the percentage of Medicare cost used by the
9 Oregon [*Health Authority*] **Department of Health** in calculating the base hospital capitation pay-
10 ment to the organization, excluding any supplemental payments.

11 (2)(a) If a coordinated care organization does not have a contract with a hospital, and the hos-
12 pital provides less than 10 percent of the hospital admissions and outpatient hospital services to
13 members of the organization, the percentage of the Medicare reimbursement rate that is used to
14 determine the reimbursement rate under subsection (1) of this section is equal to two percentage
15 points less than the percentage of Medicare cost used by the Oregon [*Health Authority*] **Department**
16 **of Health** in calculating the base hospital capitation payment to the organization, excluding any
17 supplemental payments.

18 (b) This subsection is not intended to discourage a coordinated care organization and a hospital
19 from entering into a contract and is intended to apply to hospitals that provide primarily, but not
20 exclusively, specialty and emergency care to members of the organization.

21 (3) A hospital that does not have a contract with a coordinated care organization to provide
22 inpatient or outpatient hospital services under ORS 414.591, 414.631 and 414.688 to 414.745 must
23 accept as payment in full for hospital services the rates described in subsections (1) and (2) of this
24 section.

25 (4) This section does not apply to type A and type B hospitals, as described in ORS 442.470, and
26 rural critical access hospitals, as defined in ORS 442.470.

27 (5) The Oregon [*Health Authority*] **Department of Health** shall adopt rules to implement and
28 administer this section.

29 **SECTION 469.** ORS 414.755 is amended to read:

30 414.755. The Oregon [*Health Authority*] **Department of Health** shall establish fee-for-service
31 reimbursement rates for inpatient hospital services provided by hospitals that receive Medicare re-
32 imbursement on the basis of diagnostic related groups as follows:

33 (1) For the period from October 1, 2009, through September 30, 2013, at the same rate paid by
34 Medicare on the date of the service.

35 (2) For the period beginning October 1, 2013, at a rate that is 70 percent of the rate paid by
36 Medicare on the date of the service.

37 **SECTION 470.** ORS 414.756 is amended to read:

38 414.756. The Oregon [*Health Authority*] **Department of Health** shall ensure that the Oregon
39 Health and Science University receives net reimbursement of at least 87 percent but no more than
40 100 percent of the university's costs of providing services that are paid for, in whole or in part, with
41 Medicaid funds. Net reimbursement means all Medicaid payments less any amount that is trans-
42 ferred by the university to the [*authority*] **department**.

43 **SECTION 471.** ORS 414.756, as amended by section 18, chapter 2, Oregon Laws 2019, is
44 amended to read:

45 414.756. The Oregon [*Health Authority*] **Department of Health** shall ensure that the Oregon

1 Health and Science University receives net reimbursement of at least 84 percent but no more than
2 100 percent of the university's costs of providing services that are paid for, in whole or in part, with
3 Medicaid funds. Net reimbursement means all Medicaid payments less any amount that is trans-
4 ferred by the university to the [authority] **department**.

5 **SECTION 472.** ORS 414.760 is amended to read:

6 414.760. (1) The Oregon [Health Authority] **Department of Health** shall provide reimbursement
7 in the state's medical assistance program for services provided by patient centered primary care
8 homes and behavioral health homes. If practicable, efforts to align financial incentives to support
9 patient centered primary care homes and behavioral health homes for enrollees in medical assist-
10 ance programs should be aligned with efforts of the learning collaborative described in ORS 413.259
11 (3).

12 (2) The [authority] **department** shall require each coordinated care organization, to the extent
13 practicable, to offer patient centered primary care homes and behavioral health homes that meet the
14 standards established in ORS 414.655.

15 (3) The [authority] **department** may reimburse patient centered primary care homes and behav-
16 ioral health homes for interpretive services provided to people in the state's medical assistance
17 programs if interpretive services qualify for federal financial participation.

18 (4) The [authority] **department** shall require patient centered primary care homes and behav-
19 ioral health homes receiving these reimbursements to report on quality measures described in ORS
20 413.259 (1)(c).

21 **SECTION 473.** ORS 414.762 is amended to read:

22 414.762. (1) As used in this section:

23 (a) "Child abuse assessment" has the meaning given that term in ORS 418.782.

24 (b) "Children's advocacy center" has the meaning given that term in ORS 418.782.

25 (c) "Forensic interview" has the meaning given that term in ORS 418.782.

26 (2) The Oregon [Health Authority] **Department of Health** shall reimburse a children's advocacy
27 center for the services the center provides:

28 (a) In conducting a child abuse assessment of a child who is eligible for medical assistance; and

29 (b) That are related to the child abuse assessment including, but not limited to:

30 (A) A forensic interview; and

31 (B) Mental health treatment.

32 (3) The [authority] **department** shall adopt billing and payment mechanisms to ensure that the
33 reimbursement is proportionate to the scope and intensity of the services provided by the children's
34 advocacy center.

35 **SECTION 474.** ORS 414.764 is amended to read:

36 414.764. (1) The Oregon [Health Authority] **Department of Health** may reimburse a pharmacist
37 or pharmacy for any health service:

38 (a) Provided to a medical assistance recipient who is not enrolled in a coordinated care organ-
39 ization or a prepaid managed care health services organization;

40 (b) That is within the lawful scope of practice of a pharmacist; and

41 (c) If the [authority] **department** determines the service is within the types and extent of health
42 care and services to be provided to medical assistance recipients under ORS 414.065.

43 (2) A coordinated care organization may reimburse a pharmacist or pharmacy for any health
44 service:

45 (a) Provided to a medical assistance recipient who is enrolled in the coordinated care organ-

1 ization or a prepaid managed care health services organization that enters into a clinical pharmacy
2 agreement with the pharmacist or pharmacy; and

3 (b) That is within the lawful scope of practice of a pharmacist.

4 **SECTION 475.** ORS 414.766 is amended to read:

5 414.766. (1) Notwithstanding ORS 414.065 and 414.690, a coordinated care organization must
6 provide behavioral health services to its members that include but are not limited to all of the fol-
7 lowing:

8 (a) For a member who is experiencing a behavioral health crisis:

9 (A) A behavioral health assessment; and

10 (B) Services that are medically necessary to transition the member to a lower level of care;

11 (b) At least the minimum level of services that are medically necessary to treat a member's
12 underlying behavioral health condition rather than a mere amelioration of current symptoms, such
13 as suicidal ideation or psychosis, as determined in a behavioral health assessment of the member
14 or specified in the member's care plan;

15 (c) Treatment of co-occurring behavioral health disorders or medical conditions in a coordinated
16 manner;

17 (d) Treatment at the least intensive and least restrictive level of care that is safe and effective
18 and meets the needs of the individual's condition;

19 (e) For all level of care placement decisions, placement at the level of care consistent with a
20 member's score or assessment using the relevant level of care placement criteria and guidelines;

21 (f) If the level of placement described in paragraph (e) of this subsection is not available,
22 placement at the next higher level of care;

23 (g) Treatment to maintain functioning or prevent deterioration;

24 (h) Treatment for an appropriate duration based on the individual's particular needs;

25 (i) Treatment appropriate to the unique needs of children and adolescents;

26 (j) Treatment appropriate to the unique needs of older adults;

27 (k) Treatment that is culturally and linguistically appropriate;

28 (L) Treatment that is appropriate to the unique needs of gay, lesbian, bisexual and transgender
29 individuals and individuals of any other minority gender identity or sexual orientation;

30 (m) Coordinated care and case management as defined by the Department of Consumer and
31 Business Services by rule; and

32 (n) Mental health wellness appointments as prescribed by the Oregon [*Health Authority*] **De-**
33 **partment of Health** by rule.

34 (2) If there is a disagreement about the level of care required by subsection (1)(e) or (f) of this
35 section, a coordinated care organization shall provide to the behavioral health treatment provider
36 full details of the coordinated care organization's scoring or assessment, to the extent permitted by
37 the federal Health Insurance Portability and Accountability Act privacy regulations, 45 C.F.R. parts
38 160 and 164, ORS 192.553 to 192.581 or other state or federal laws limiting the disclosure of health
39 information.

40 (3) The Oregon [*Health Authority*] **Department of Health** shall adopt by rule a list of behavioral
41 health services that may not be subject to prior authorization.

42 **SECTION 476.** ORS 414.767 is amended to read:

43 414.767. The Oregon [*Health Authority*] **Department of Health** shall contract with a third-party
44 vendor to survey medical assistance recipients about their experiences with behavioral health care
45 and services using a standardized survey tool.

SECTION 477. ORS 414.770 is amended to read:

414.770. (1) As used in this section:

(a) “Approved clinical trial” has the meaning given that term in ORS 743A.192.

(b) “Routine health care”:

(A) Means the types and extent of health care and services that the Oregon [*Health Authority*] **Department of Health** requires to be provided in medical assistance in accordance with ORS 414.065.

(B) Does not include:

(i) The drug, device or service being tested in an approved clinical trial, unless a coordinated care organization would provide or pay for the drug, device or service if provided to a member who is not enrolled in an approved clinical trial;

(ii) Items or services required solely for the provision of the drug, device or service being tested in an approved clinical trial;

(iii) Items or services required solely for the clinically appropriate monitoring of the drug, device or service being tested in an approved clinical trial;

(iv) Items or services that are provided solely to satisfy data collection and analysis needs associated with an approved clinical trial and that are not used in the direct clinical management of the member; or

(v) Items or services customarily provided by a clinical trial sponsor free of charge to any participant in an approved clinical trial.

(2) A coordinated care organization may not discriminate against a member on the basis of the member’s participation in an approved clinical trial by:

(a) Denying the provision of or payment for routine health care; or

(b) Excluding, limiting or imposing additional conditions on the provision of or payment for routine health care furnished in connection with the member’s participation in an approved clinical trial.

(3) A coordinated care organization that provides routine health care to a member enrolled in an approved clinical trial is not, based on the provision of that care, liable for any adverse effects of the approved clinical trial.

SECTION 478. ORS 414.780 is amended to read:

414.780. (1) As used in this section:

(a) “Behavioral health coverage” means mental health treatment and services and substance use disorder treatment or services reimbursed by a coordinated care organization.

(b) “Coordinated care organization” has the meaning given that term in ORS 414.025.

(c) “Mental health treatment and services” means the treatment of or services provided to address any condition or disorder that falls under any of the diagnostic categories listed in the mental disorders section of the current edition of the:

(A) International Classification of Disease; or

(B) Diagnostic and Statistical Manual of Mental Disorders.

(d) “Nonquantitative treatment limitation” means a limitation that is not expressed numerically but otherwise limits the scope or duration of behavioral health coverage, such as medical necessity criteria or other utilization review.

(e) “Substance use disorder treatment and services” means the treatment of and any services provided to address any condition or disorder that falls under any of the diagnostic categories listed in the substance use section of the current edition of the:

1 (A) International Classification of Disease; or

2 (B) Diagnostic and Statistical Manual of Mental Disorders.

3 (2) No later than March 1 of each calendar year, the Oregon [*Health Authority*] **Department**
4 **of Health** shall prescribe the form and manner for each coordinated care organization to report to
5 the [*authority*] **department**, on or before June 1 of the calendar year, information about the coor-
6 dinated care organization's compliance with mental health parity requirements, including but not
7 limited to the following:

8 (a) The specific plan or coverage terms or other relevant terms regarding the nonquantitative
9 treatment limitations and a description of all mental health or substance use disorder benefits and
10 medical or surgical benefits to which each such term applies in each respective benefits classifica-
11 tion.

12 (b) The factors used to determine that the nonquantitative treatment limitations will apply to
13 mental health or substance use disorder benefits and medical or surgical benefits.

14 (c) The evidentiary standards used for the factors identified in paragraph (b) of this subsection,
15 when applicable, provided that every factor is defined, and any other source or evidence relied upon
16 to design and apply the nonquantitative treatment limitations to mental health or substance use
17 disorder benefits and medical or surgical benefits.

18 (d) The number of denials of coverage of mental health treatment and services, substance use
19 disorder treatment and services and medical and surgical treatment and services, the percentage of
20 denials that were appealed, the percentage of appeals that upheld the denial and the percentage of
21 appeals that overturned the denial.

22 (e) The percentage of claims for behavioral health coverage and for coverage of medical and
23 surgical treatments that were paid to in-network providers and the percentage of such claims that
24 were paid to out-of-network providers.

25 (f) Other data or information the [*authority*] **department** deems necessary to assess a coordi-
26 nated care organization's compliance with mental health parity requirements.

27 (3) Coordinated care organizations must demonstrate in the documentation submitted under
28 subsection (2) of this section, that the processes, strategies, evidentiary standards and other factors
29 used to apply nonquantitative treatment limitation to mental health or substance use disorder
30 treatment, as written and in operation, are comparable to and are applied no more stringently than
31 the processes, strategies, evidentiary standards and other factors used to apply nonquantitative
32 treatment limitations to medical or surgical treatments in the same classification.

33 (4) Each calendar year the [*authority*] **department**, in collaboration with individuals represent-
34 ing behavioral health treatment providers, community mental health programs, coordinated care
35 organizations, the Consumer Advisory Council established in ORS 430.073 and consumers of mental
36 health or substance use disorder treatment, shall, based on the information reported under sub-
37 section (2) of this section, identify and assess:

38 (a) Coordinated care organizations' compliance with the requirements for parity between the
39 behavioral health coverage and the coverage of medical and surgical treatment in the medical as-
40 sistance program; and

41 (b) The [*authority's*] **department's** compliance with the requirements for parity between the
42 behavioral health coverage and the coverage of medical and surgical treatment in the medical as-
43 sistance program for individuals who are not enrolled in a coordinated care organization.

44 (5) No later than December 31 of each calendar year, the [*authority*] **department** shall submit
45 a report to the interim committees of the Legislative Assembly related to mental or behavioral

1 health, in the manner provided in ORS 192.245, that includes:

2 (a) The [authority's] **department's** findings under subsection (4) of this section on compliance
3 with rules regarding mental health parity, including a comparison of coverage for members of co-
4 ordinated care organizations to coverage for medical assistance recipients who are not enrolled in
5 coordinated care organizations as applicable; and

6 (b) An assessment of:

7 (A) The adequacy of the provider network as prescribed by the [authority] **department** by rule.

8 (B) The timeliness of access to mental health and substance use disorder treatment and services,
9 as prescribed by the [authority] **department** by rule.

10 (C) The criteria used by each coordinated care organization to determine medical necessity and
11 behavioral health coverage, including each coordinated care organization's payment protocols and
12 procedures.

13 (D) Data on services that are requested but that coordinated care organizations are not required
14 to provide.

15 (E) The consistency of credentialing requirements for behavioral health treatment providers
16 with the credentialing of medical and surgical treatment providers.

17 (F) The utilization review, as defined by the [authority] **department** by rule, applied to behav-
18 ioral health coverage compared to coverage of medical and surgical treatments.

19 (G) The specific findings and conclusions reached by the [authority] **department** with respect
20 to the coverage of mental health and substance use disorder treatment and the [authority's]
21 **department's** analysis that indicates that the coverage is or is not in compliance with this section.

22 (H) The specific findings and conclusions of the [authority] **department** demonstrating a coord-
23 inated care organization's compliance with this section and with the Paul Wellstone and Pete
24 Domenici Mental Health Parity and Addiction Equity Act of 2008 (P.L. 110-343) and rules adopted
25 thereunder.

26 (6) Except as provided in subsection (5)(b)(D) of this section, this section does not require co-
27 ordinated care organizations to report data on services that are not funded on the prioritized list
28 of health services compiled by the Health Evidence Review Commission under ORS 414.690.

29 **SECTION 479.** ORS 414.781 is amended to read:

30 414.781. The Oregon [Health Authority] **Department of Health** shall reimburse the cost of co-
31 occurring mental health and substance use disorder treatment services paid for on a fee-for-service
32 basis at an enhanced rate based on:

33 (1) Existing reimbursement codes used for co-occurring disorder treatments;

34 (2) Clinical complexity; and

35 (3) The education level of the provider.

36 **SECTION 480.** ORS 414.782 is amended to read:

37 414.782. The Oregon [Health Authority] **Department of Health**, with the advice of stakeholders
38 and the Alcohol and Drug Policy Commission, may establish minimum rates of reimbursement paid
39 by the [authority] **department** or coordinated care organizations to addiction treatment providers
40 to ensure medical assistance recipients' access, without delay, to all modalities of addiction treat-
41 ment within each geographic region of this state.

42 **SECTION 481.** ORS 414.805 is amended to read:

43 414.805. (1) An individual who receives medical services while in the custody of a law enforce-
44 ment officer is liable:

45 (a) To the provider of the medical services for the charges and expenses therefor; and

1 (b) To the Oregon [*Health Authority*] **Department of Health** for any charges or expenses paid
 2 by the [*authority*] **department** out of the Law Enforcement Medical Liability Account for the med-
 3 ical services.

4 (2) A person providing medical services to an individual described in subsection (1) of this sec-
 5 tion shall first make reasonable efforts to collect the charges and expenses thereof from the indi-
 6 vidual before seeking to collect them from the [*authority*] **department** out of the Law Enforcement
 7 Medical Liability Account.

8 (3)(a) If the provider has not been paid within 45 days of the date of the billing, the provider
 9 may bill the [*authority*] **department** who shall pay the account out of the Law Enforcement Medical
 10 Liability Account.

11 (b) A bill submitted to the [*authority*] **department** under this subsection must be accompanied
 12 by evidence documenting that:

13 (A) The provider has billed the individual or the individual's insurer or health care service
 14 contractor for the charges or expenses owed to the provider; and

15 (B) The provider has made a reasonable effort to collect from the individual or the individual's
 16 insurer or health care service contractor the charges and expenses owed to the provider.

17 (c) If the provider receives payment from the individual or the insurer or health care service
 18 contractor after receiving payment from the [*authority*] **department**, the provider shall repay the
 19 [*authority*] **department** the amount received from the public agency less any difference between
 20 payment received from the individual, insurer or contractor and the amount of the billing.

21 (4) As used in this section:

22 (a) "Law enforcement officer" means:

23 (A) An officer who is commissioned and employed by a public agency as a peace officer to en-
 24 force the criminal laws of this state or laws or ordinances of a public agency; or

25 (B) An authorized tribal police officer as defined in ORS 181A.940.

26 (b) "Public agency" means the state, a city, university that has established a police department
 27 under ORS 352.121 or 353.125, port, school district, mass transit district or county.

28 **SECTION 482.** ORS 414.807 is amended to read:

29 414.807. (1)(a) When charges and expenses are incurred for medical services provided to an in-
 30 dividual for injuries related to law enforcement activity and subject to the availability of funds in
 31 the account, the cost of such services shall be paid by the Oregon [*Health Authority*] **Department**
 32 **of Health** out of the Law Enforcement Medical Liability Account established in ORS 414.815 if the
 33 provider of the medical services has made all reasonable efforts to collect the amount, or any part
 34 thereof, from the individual who received the services.

35 (b) When a law enforcement agency involved with an injury certifies that the injury is related
 36 to law enforcement activity, the Oregon [*Health Authority*] **Department of Health** shall pay the
 37 provider:

38 (A) If the provider is a hospital, in accordance with current fee schedules established by the
 39 Director of the Department of Consumer and Business Services for purposes of workers' compen-
 40 sation under ORS 656.248; or

41 (B) If the provider is other than a hospital, 75 percent of the customary and usual rates for the
 42 services.

43 (2) After the injured person is incarcerated and throughout the period of incarceration, the
 44 Oregon [*Health Authority*] **Department of Health** shall continue to pay, out of the Law Enforce-
 45 ment Medical Liability Account, charges and expenses for injuries related to law enforcement ac-

1 tivities as provided in subsection (1) of this section. Upon release of the injured person from actual
2 physical custody, the Law Enforcement Medical Liability Account is no longer liable for the pay-
3 ment of medical expenses of the injured person.

4 (3) If the provider of medical services has filed a medical services lien as provided in ORS
5 87.555, the Oregon [*Health Authority*] **Department of Health** shall be subrogated to the rights of
6 the provider to the extent of payments made by the [*authority*] **department** to the provider for the
7 medical services. The [*authority*] **department** may foreclose the lien as provided in ORS 87.585.

8 (4) The [*authority*] **department** shall deposit in the Law Enforcement Medical Liability Account
9 all moneys received by the [*authority*] **department** from:

10 (a) Providers of medical services as repayment;

11 (b) Individuals whose medical expenses were paid by the [*authority*] **department** under this
12 section; and

13 (c) Foreclosure of a lien as provided in subsection (3) of this section.

14 (5) As used in this section:

15 (a) "Injuries related to law enforcement activity" means injuries sustained prior to booking, ci-
16 tation in lieu of arrest or release instead of booking that occur during and as a result of efforts by
17 a law enforcement officer to restrain or detain, or to take or retain custody of, the individual.

18 (b) "Law enforcement officer" has the meaning given that term in ORS 414.805.

19 **SECTION 483.** ORS 414.815 is amended to read:

20 414.815. (1) The Law Enforcement Medical Liability Account is established separate and distinct
21 from the General Fund. Interest earned, if any, shall inure to the benefit of the account. The moneys
22 in the Law Enforcement Medical Liability Account are appropriated continuously to the Oregon
23 [*Health Authority*] **Department of Health** to pay expenses in administering the account and paying
24 claims out of the account as provided in ORS 414.807.

25 (2) The liability of the Law Enforcement Medical Liability Account is limited to funds allocated
26 to the account from the Criminal Fine Account, or collected from individuals under ORS 414.805.

27 (3) The [*authority*] **department** may contract with persons experienced in medical claims pro-
28 cessing to provide claims processing for the account.

29 (4) The [*authority*] **department** shall adopt rules to implement administration of the Law
30 Enforcement Medical Liability Account including, but not limited to, rules that establish reasonable
31 deadlines for submission of claims.

32 (5) Each biennium, the Oregon [*Health Authority*] **Department of Health** shall submit a report
33 to the Legislative Assembly regarding the status of the Law Enforcement Medical Liability Account.
34 Within 30 days of the convening of each odd-numbered year regular session of the Legislative As-
35 sembly, the [*authority*] **department** shall submit the report to the chair of the Senate Judiciary
36 Committee and the chair of the House Judiciary Committee. The report shall include, but is not
37 limited to, the number of claims submitted and paid during the biennium and the amount of money
38 in the fund at the time of the report.

39 **SECTION 484.** ORS 414.855 is amended to read:

40 414.855. (1) An assessment is imposed on the net revenue of each hospital in this state. The as-
41 sessment shall be imposed at a rate determined by the Director of the Oregon [*Health Authority*]
42 **Department of Health** by rule that is the director's best estimate of the rate needed to fund the
43 services and costs identified in ORS 414.869. The rate of assessment shall be imposed on the net
44 revenue of each hospital subject to assessment. The director shall consult with representatives of
45 hospitals before setting the assessment.

1 (2) Each assessment shall be reported on a form prescribed by the Oregon [*Health Authority*]
2 **Department of Health** and shall contain the information required to be reported by the
3 [*authority*] **department**. The assessment form shall be filed with the [*authority*] **department** on or
4 before the 45th day following the end of the calendar quarter for which the assessment is being re-
5 ported. Except as provided in subsection (5) of this section, the hospital shall pay the assessment
6 at the time the hospital files the assessment report. The payment shall accompany the report.

7 (3)(a) To the extent permitted by federal law, aggregate assessments imposed under this section
8 may not exceed the total of the following amounts received by the hospitals that are reimbursed by
9 Medicare based on diagnostic related groups:

10 (A) 30 percent of payments made to the hospitals on a fee-for-service basis by the [*authority*]
11 **department** for inpatient hospital services;

12 (B) 41 percent of payments made to the hospitals on a fee-for-service basis by the [*authority*]
13 **department** for outpatient hospital services; and

14 (C) Payments made to the hospitals using a payment methodology established by the [*authority*]
15 **department** that advances the goals of the Oregon Integrated and Coordinated Health Care Deliv-
16 ery System described in ORS 414.570 (3).

17 (b) Notwithstanding paragraph (a) of this subsection, aggregate assessments imposed under this
18 section on or after July 1, 2015, may exceed the total of the amounts described in paragraph (a) of
19 this subsection to the extent necessary to compensate for any reduction of funding in the
20 legislatively adopted budget for hospital services under ORS 414.591, 414.631 and 414.688 to 414.745.

21 (c) The director may impose a lower rate of assessment on type A hospitals and type B hospitals
22 to take into account the hospitals' financial position.

23 (4) Notwithstanding subsection (3) of this section, a hospital is not guaranteed that any addi-
24 tional moneys paid to the hospital in the form of payments for services shall equal or exceed the
25 amount of the assessment paid by the hospital.

26 (5)(a) The [*authority*] **department** shall develop a schedule for collection of the assessment for
27 the calendar quarter ending September 30, 2021, that will result in the collection occurring between
28 December 15, 2021, and the time all Medicaid cost settlements are finalized for that calendar quar-
29 ter.

30 (b) The [*authority*] **department** shall prescribe by rule criteria for late payment of assessments.

31 **SECTION 485.** ORS 414.857 is amended to read:

32 414.857. Notwithstanding ORS 414.855, the Director of the Oregon [*Health Authority*] **Depart-**
33 **ment of Health** shall reduce the rate of assessment imposed under ORS 414.855 (1) to the maximum
34 rate allowed under federal law if the reduction is required to comply with federal law.

35 **SECTION 486.** ORS 414.863 is amended to read:

36 414.863. (1) Any hospital that has paid an amount that is not required under ORS 414.853 to
37 414.869 and 414.900 may file a claim for refund with the Oregon [*Health Authority*] **Department of**
38 **Health**.

39 (2) Any hospital that is aggrieved by an action of the [*authority*] **department** or by an action
40 of the Director of the Oregon [*Health Authority*] **Department of Health** taken pursuant to sub-
41 section (1) of this section shall be entitled to notice and an opportunity for a contested case hearing
42 under ORS chapter 183.

43 **SECTION 487.** ORS 414.865 is amended to read:

44 414.865. The Oregon [*Health Authority*] **Department of Health** may audit the records of any
45 hospital in this state to determine compliance with ORS 414.853 to 414.869 and 414.900. The [*au-*

1 *thority*] **department** may audit records at any time for a period of five years following the date an
2 assessment is due to be reported and paid under ORS 414.855.

3 **SECTION 488.** ORS 414.867 is amended to read:

4 414.867. Amounts collected by the Oregon [*Health Authority*] **Department of Health** from the
5 assessments imposed under ORS 414.855 shall be deposited in the Hospital Quality Assurance Fund
6 established under ORS 414.869.

7 **SECTION 489.** ORS 414.869 is amended to read:

8 414.869. (1) The Hospital Quality Assurance Fund is established in the State Treasury, separate
9 and distinct from the General Fund. Interest earned by the Hospital Quality Assurance Fund shall
10 be credited to the Hospital Quality Assurance Fund.

11 (2) Amounts in the Hospital Quality Assurance Fund are continuously appropriated to the
12 Oregon [*Health Authority*] **Department of Health** for the purpose of:

13 (a) Paying refunds due under ORS 414.863;

14 (b) Funding services under ORS 414.591, 414.631 and 414.688 to 414.745, including but not limited
15 to increasing reimbursement rates for inpatient and outpatient hospital services under ORS 414.591,
16 414.631 and 414.688 to 414.745;

17 (c) Making payments described in ORS 414.855 (3)(a)(C);

18 (d) Making payments to coordinated care organizations to be used to provide additional re-
19 imbursement to type A hospitals and type B hospitals to improve and expand access to services for
20 medical assistance recipients, to the extent permitted by federal requirements; and

21 (e) Paying administrative costs incurred by the [*authority*] **department** to administer the as-
22 sessments imposed under ORS 414.855.

23 (3) Except for assessments imposed pursuant to ORS 414.855 (3)(b), the [*authority*] **department**
24 may not use moneys from the Hospital Quality Assurance Fund to supplant, directly or indirectly,
25 other moneys made available to fund services described in subsection (2) of this section.

26 **SECTION 490.** ORS 414.880 is amended to read:

27 414.880. (1) As used in this section and ORS 414.882 and 414.902:

28 (a) "Managed care organization" means:

29 (A) A coordinated care organization as defined in ORS 414.025; and

30 (B) A prepaid managed care health services organization as defined in ORS 414.025.

31 (b) "Premium equivalent" means the payments made to the managed care organization by the
32 Oregon [*Health Authority*] **Department of Health** for providing health services under ORS chapter
33 414.

34 (2) No later than 45 days following the end of a calendar quarter, a managed care organization
35 shall pay an assessment at a rate of two percent of the gross amount of premium equivalents re-
36 ceived during that calendar quarter.

37 (3) The assessment shall be paid to the [*authority*] **department** in a manner and form prescribed
38 by the [*authority*] **department**.

39 (4) Assessments received by the [*authority*] **department** under this section shall be paid into the
40 State Treasury and credited to the Health System Fund established under section 2, chapter 538,
41 Oregon Laws 2017.

42 (5) The assessment imposed under this section is in addition to and not in lieu of any tax, sur-
43 charge or other assessment imposed on a managed care organization.

44 **SECTION 491.** ORS 414.882 is amended to read:

45 414.882. (1) A managed care organization that has paid an amount that is not required under

1 ORS 414.880 may file a claim for refund with the Oregon [*Health Authority*] **Department of**
2 **Health**.

3 (2) Any managed care organization that is aggrieved by an action of the [*authority*] **department**
4 taken pursuant to subsection (1) of this section shall be entitled to notice and an opportunity for a
5 contested case hearing under ORS chapter 183.

6 **SECTION 492.** ORS 414.884 is amended to read:

7 414.884. ORS 414.880, 414.882 and 414.902 apply to any payments made to a managed care or-
8 ganization by the Oregon [*Health Authority*] **Department of Health** for the period beginning Janu-
9 ary 1, 2020, and ending December 31, 2026.

10 **SECTION 493.** ORS 414.900 is amended to read:

11 414.900. (1) A hospital that fails to file a report or pay an assessment under ORS 414.855 by the
12 date the report or payment is due shall be subject to a penalty of up to \$500 per day of delinquency.
13 The total amount of penalties imposed under this section for each reporting period may not exceed
14 five percent of the assessment for the reporting period for which penalties are being imposed.

15 (2) Penalties imposed under this section shall be collected by the Oregon [*Health Authority*]
16 **Department of Health** and deposited in the Oregon [*Health Authority*] **Department of Health**
17 Fund established under ORS 413.101.

18 (3) Penalties paid under this section are in addition to and not in lieu of any assessment imposed
19 under ORS 414.855.

20 **SECTION 494.** ORS 414.902 is amended to read:

21 414.902. (1) If a managed care organization fails to timely pay an assessment under ORS 414.880,
22 the Oregon [*Health Authority*] **Department of Health** shall impose a penalty on the managed care
23 organization of up to \$500 per day of delinquency. The total amount of penalties imposed under this
24 section for a calendar quarter may not exceed five percent of the assessment due for that calendar
25 quarter.

26 (2) Any penalty imposed under this section is in addition to and not in lieu of the assessment
27 imposed under ORS 414.880.

28 (3) Penalties received by the [*authority*] **department** under this section shall be paid into the
29 State Treasury and credited to the Health System Fund established under section 2, chapter 538,
30 Oregon Laws 2017.

31 **SECTION 495.** ORS 415.001 is amended to read:

32 415.001. (1) As used in this section:

33 (a) "Attachment point" means the threshold dollar amount, adopted by the Oregon [*Health Au-*
34 *thority*] **Department of Health** by rule, for costs incurred by a coordinated care organization in a
35 calendar year for a member, after which threshold the costs are eligible for state reinsurance pay-
36 ments.

37 (b) "Coinsurance rate" means the rate, adopted by the [*authority*] **department** by rule, at which
38 the [*authority*] **department** will reimburse a coordinated care organization for costs incurred by the
39 coordinated care organization in a calendar year after the attachment point and before the rein-
40 surance cap.

41 (c) "Reinsurance" has the meaning given that term in ORS 731.126.

42 (d) "Reinsurance cap" means the maximum dollar amount, adopted by the [*authority*] **depart-**
43 **ment** by rule, for costs incurred by a coordinated care organization in a calendar year, after which
44 maximum the costs are no longer eligible for state reinsurance payments.

45 (e) "Reinsurance payment" means a payment by the reinsurance program described in subsection

1 (2) of this section to cover part of a coordinated care organization's costs.

2 (2) The Oregon [*Health Authority*] **Department of Health** may establish a reinsurance program
3 to:

4 (a) Make payments to coordinated care organizations that face particularly high costs in caring
5 for members who require new, exceptionally costly drugs or treatments; and

6 (b) Better manage costs systemically.

7 (3) The following requirements apply to a reinsurance program established under subsection (2)
8 of this section:

9 (a) A coordinated care organization becomes eligible for a reinsurance payment when the coor-
10 dinated care organization's costs in a calendar year exceed the attachment point. The amount of the
11 payment shall be the product of the coinsurance rate and the coordinated care organization's costs
12 that exceed the attachment point, up to the reinsurance cap.

13 (b) After the [*authority*] **department** adopts by rule the attachment point, reinsurance cap or
14 coinsurance rate for a calendar year, the [*authority*] **department** may not:

15 (A) Change the attachment point or the reinsurance cap during the calendar year; or

16 (B) Increase the coinsurance rate during the calendar year.

17 (c) The [*authority*] **department** may adopt rules necessary to carry out the provisions of this
18 section including, but not limited to, rules prescribing:

19 (A) The amount, manner and frequency of reinsurance payments;

20 (B) Assessments, if any, necessary to provide funding for the program; and

21 (C) Financial reporting requirements for coordinated care organizations necessary to administer
22 the program.

23 (d) The [*authority*] **department** shall take into account reinsurance payments received by a co-
24 ordinated care organization in the determination of a global budget for the coordinated care or-
25 ganization.

26 (4) The [*authority*] **department** shall work with the Centers for Medicare and Medicaid Services
27 in establishing a reinsurance program under subsection (2) of this section to ensure compliance with
28 federal requirements and federal financial participation in the costs of the program.

29 **SECTION 496.** ORS 415.011 is amended to read:

30 415.011. (1) The Oregon [*Health Authority*] **Department of Health** may adopt rules to carry out
31 the provisions of ORS 415.012 to 415.430.

32 (2) The [*authority*] **department** shall adopt rules for regulating the financial solvency of coor-
33 dinated care organizations that align with the following provisions of the Insurance Code regulating
34 domestic insurers, to the extent the provisions regarding insurers are applicable to coordinated care
35 organizations and are in accordance with ORS chapters 413 and 414:

36 (a) ORS 731.385;

37 (b) ORS 731.504;

38 (c) ORS 731.508;

39 (d) ORS 731.509 (1) to (10) and (12);

40 (e) ORS 731.574 (1) to (5);

41 (f) ORS 731.730;

42 (g) ORS 731.988;

43 (h) ORS 732.235;

44 (i) ORS 732.517 to 732.546, other than ORS 732.527, 732.531 and 732.541;

45 (j) ORS 732.548;

- 1 (k) ORS 732.549;
- 2 (L) ORS 732.551;
- 3 (m) ORS 732.552;
- 4 (n) ORS 732.553;
- 5 (o) ORS 732.554;
- 6 (p) ORS 732.556;
- 7 (q) ORS 732.558;
- 8 (r) ORS 732.564;
- 9 (s) ORS 732.566;
- 10 (t) ORS 732.567;
- 11 (u) ORS 732.568;
- 12 (v) ORS 732.569;
- 13 (w) ORS 732.574;
- 14 (x) ORS 732.576;
- 15 (y) ORS 732.578;
- 16 (z) ORS 732.592;
- 17 (aa) ORS 733.010 to 733.050;
- 18 (bb) ORS 733.140 to 733.170;
- 19 (cc) ORS 733.510 to 733.680;
- 20 (dd) ORS 733.695 to 733.780; and
- 21 (ee) ORS 734.014.

22 (3) Rules adopted by the [authority] **department** in accordance with ORS 731.385 that establish
 23 minimum standards for risk-based capital may not require a coordinated care organization to take
 24 preventive or corrective measures to increase the coordinated care organization’s capital, surplus
 25 or reserves to achieve more than 200 percent of the minimum risk-based capital.

26 **SECTION 497.** ORS 415.013 is amended to read:

27 415.013. (1) The Oregon [Health Authority] **Department of Health** shall enforce the provisions
 28 of ORS 415.012 to 415.430 and 415.501 and rules adopted pursuant to ORS 415.011, 415.012 to 415.430
 29 and 415.501 for the public good.

30 (2) The [authority] **department** has the powers and [authority] **department** expressly conferred
 31 by or reasonably implied from the provisions of ORS 415.012 to 415.430 and 415.501 and rules
 32 adopted pursuant to ORS 415.011, 415.012 to 415.430 and 415.501.

33 (3) The [authority] **department** may conduct examinations and investigations and require the
 34 production of books, records, accounts, papers, documents and computer and other recordings the
 35 [authority] **department** considers necessary to administer and enforce ORS 415.012 to 415.430 or
 36 415.501 and any rules adopted pursuant to ORS 415.011, 415.012 to 415.430 or 415.501.

37 **SECTION 498.** ORS 415.015 is amended to read:

38 415.015. (1) An officer or employee of the Oregon [Health Authority] **Department of Health** who
 39 is delegated responsibilities in the enforcement of ORS 415.012 to 415.430 or rules adopted pursuant
 40 to ORS 415.011 may not:

- 41 (a) Be a director, officer or employee of or be financially interested in any coordinated care
 42 organization, except as a member of a coordinated care organization or by reason of rights vested
 43 in compensation or benefits related to services performed prior to affiliation with the [authority]
 44 **department**; or
- 45 (b) Be engaged in any other business or occupation interfering with or inconsistent with the

1 duties of the [authority] **department**.

2 (2) This section does not permit any conduct, affiliation or interest that is otherwise prohibited
3 by public policy.

4 **SECTION 499.** ORS 415.019 is amended to read:

5 415.019. (1) The Oregon [Health Authority] **Department of Health** shall hold a contested case
6 hearing upon written request for a hearing by a person aggrieved by any act, threatened act or
7 failure of the [authority] **department** to act under ORS 415.012 to 415.430 or 415.501 or rules
8 adopted pursuant to ORS 415.011, 415.012 to 415.430 or 415.501.

9 (2) The provisions of ORS chapter 183 govern the hearing procedures and any judicial review
10 of a final order issued in a contested case hearing.

11 **SECTION 500.** ORS 415.055 is amended to read:

12 415.055. (1) A complaint made to the Oregon [Health Authority] **Department of Health** against
13 a coordinated care organization for a violation of ORS 415.012 to 415.430 or rules adopted pursuant
14 to ORS 415.011, and the record of the complaint, is confidential and may not be disclosed except as
15 provided in ORS 413.175 or 414.607. The complaint, and the record of the complaint, may not be used
16 in any action, suit or proceeding except to the extent the [authority] **department** considers neces-
17 sary in prosecuting apparent violations of ORS 415.012 to 415.430, rules adopted pursuant to ORS
18 415.011 or other law.

19 (2) Data gathered pursuant to an investigation by the [authority] **department** of a complaint is
20 confidential, may not be disclosed except as provided in ORS 413.175 and 414.607 and may not be
21 used in any action, suit or proceeding except to the extent the [authority] **department** considers
22 necessary in investigating or prosecuting apparent violations of ORS 415.012 to 415.430, rules
23 adopted pursuant to ORS 415.011 or other law.

24 (3) Notwithstanding subsections (1) and (2) of this section, the [authority] **department** shall es-
25 tablish by rule a method for publishing an annual statistical report containing the coordinated care
26 organization's name and the number, percentage, type and disposition of complaints the [authority]
27 **department** receives against each coordinated care organization that contracts with the
28 [authority] **department**.

29 **SECTION 501.** ORS 415.056 is amended to read:

30 415.056. (1) The Oregon [Health Authority] **Department of Health** may disclose or use a report
31 as considered necessary by the [authority] **department** in the administration of ORS 415.012 to
32 415.430, rules adopted pursuant to ORS 415.011 or other law.

33 (2) A report filed with the [authority] **department** according to requirements established by rule
34 for disclosure of material acquisitions or dispositions of assets is confidential.

35 (3) A report filed with the Oregon [Health Authority] **Department of Health** according to re-
36 quirements established by rule for the purpose of determining the amount of restricted reserves,
37 capital or surplus that a coordinated care organization must maintain under ORS 414.572 (1)(b)(A)
38 is confidential and may not be disclosed.

39 (4) A financial plan of action stating corrective actions to be taken by a coordinated care or-
40 ganization in response to a determination of inadequate restricted reserves, capital or surplus that
41 is filed by the coordinated care organization with the [authority] **department** according to require-
42 ments established by rule is confidential and may not be disclosed.

43 (5) The results or report of any examination or analysis of a coordinated care organization
44 performed by the [authority] **department** in connection with a financial plan described in subsection
45 (4) of this section and any corrective order issued by the [authority] **department** pursuant to such

1 an examination or analysis is confidential and may not be disclosed.

2 (6) Information contained in documents described in subsections (1) to (4) of this section that is
3 also contained in final examination reports filed under ORS 415.111 is not confidential under this
4 section.

5 (7) All financial analysis ratios and examination synopses concerning coordinated care organ-
6 izations that are submitted to the [authority] **department** by the Insurance Regulatory Information
7 System of the National Association of Insurance Commissioners are confidential.

8 **SECTION 502.** ORS 415.057 is amended to read:

9 415.057. (1) The Oregon [Health Authority] **Department of Health** may use reports and financial
10 plans of action that are made confidential under ORS 415.056 only for the purpose of monitoring the
11 solvency of coordinated care organizations and the need for possible corrective action with respect
12 to coordinated care organizations.

13 (2) The [authority] **department** may not use reports and financial plans of action referred to in
14 subsection (1) of this section for establishing global budgets or in any proceeding related to global
15 budgets.

16 (3) This section does not prohibit [authority] **the department** from using information included
17 in reports or financial plans referred to in subsection (1) of this section that is available from other
18 sources.

19 **SECTION 503.** ORS 415.063 is amended to read:

20 415.063. (1) ORS 415.062 does not prohibit the Oregon [Health Authority] **Department of Health**
21 from acquiring any compliance self-evaluative audit document or examining any person in con-
22 nection with the document. If the [authority] **department** determines that the actions of a coordi-
23 nated care organization are egregious, the [authority] **department** may introduce and use the
24 document in any administrative proceeding or civil action under ORS 415.012 to 415.430 or rules
25 adopted pursuant to ORS 415.011.

26 (2) Any compliance self-evaluative audit document submitted to the [authority] **department** un-
27 der this section and in the possession of the [authority] **department** remains the property of the
28 coordinated care organization and is not subject to disclosure or production under ORS 192.311 to
29 192.478.

30 (3)(a) The [authority] **department** shall consider the corrective action taken by a coordinated
31 care organization to eliminate problems identified in the compliance self-evaluative audit document
32 as a mitigating factor when determining a civil penalty or other action against the coordinated care
33 organization.

34 (b) The [authority] **department** may, in the [authority's] **department's** sole discretion, decline
35 to impose a civil penalty or take other action against a coordinated care organization based on in-
36 formation obtained from a compliance self-evaluative audit document if the coordinated care organ-
37 ization has taken reasonable corrective action to eliminate the problems identified in the document.

38 (4) Disclosure of a compliance self-evaluative audit document to a governmental agency, whether
39 voluntarily or pursuant to compulsion of law, does not constitute a waiver of the privilege set forth
40 in ORS 415.062 for any other purpose.

41 (5) The [authority] **department** may not be compelled to produce a compliance self-evaluative
42 audit document.

43 **SECTION 504.** ORS 415.064 is amended to read:

44 415.064. (1) The privilege set forth in ORS 415.062 does not apply to the extent that the privilege
45 is expressly waived by the coordinated care organization that prepared or caused to be prepared the

1 compliance self-evaluative audit document.

2 (2) The privilege set forth in ORS 415.062 does not apply in any civil, criminal or administrative
 3 proceeding commenced by the Attorney General relating to Medicaid fraud, without regard to
 4 whether the proceeding is brought on behalf of the state, a state agency or a federal agency. A co-
 5 ordinated care organization may request an in camera review of any document or other evidence to
 6 be released or used under this subsection and may request that appropriate protective orders be
 7 entered governing release and use of the material.

8 (3) In any civil proceeding a court of record may, after an in camera review, require disclosure
 9 of material for which the privilege set forth in ORS 415.062 is asserted if the court determines that
 10 the material is not subject to the privilege, or that the privilege is asserted for a fraudulent purpose,
 11 including but not limited to an assertion of the privilege for a compliance audit that was conducted
 12 for the purpose of concealing a violation of any federal, state or local law or rule. This subsection
 13 may not be construed to prohibit the Oregon *[Health Authority]* **Department of Health** from ac-
 14 quiring, examining and using compliance self-evaluative audit documents under ORS 415.062.

15 (4) In a criminal proceeding, a court of record may, after an in camera review, require disclosure
 16 of material for which the privilege set forth in ORS 415.062 is asserted if the court determines that:

17 (a) The privilege is asserted for a fraudulent purpose, including but not limited to an assertion
 18 of the privilege for a compliance audit that was conducted for the purpose of concealing a violation
 19 of any federal, state or local law or rule;

20 (b) The material is not subject to the privilege; or

21 (c) The material contains evidence relevant to commission of a criminal offense, and:

22 (A) A district attorney or the Attorney General has a compelling need for the information;

23 (B) The information is not otherwise available; or

24 (C) The district attorney or Attorney General is unable to obtain the substantial equivalent of
 25 the information by any other means without incurring unreasonable cost and delay.

26 **SECTION 505.** ORS 415.066 is amended to read:

27 415.066. The privilege established under ORS 415.062 does not apply to any of the following:

28 (1) Documents, communications, data, reports or other information expressly required to be
 29 collected, developed, maintained or reported to the Oregon *[Health Authority]* **Department of**
 30 **Health** or other regulatory agency under ORS 415.012 to 415.430, rules adopted pursuant to ORS
 31 415.011 or other state or federal law;

32 (2) Information obtained by observation or monitoring by the *[authority]* **department** or any
 33 regulatory agency; or

34 (3) Information obtained from a source other than the compliance audit.

35 **SECTION 506.** ORS 415.101 is amended to read:

36 415.101. The Oregon *[Health Authority]* **Department of Health** may request information from
 37 any coordinated care organization or its officers in relation to the activities or condition of the co-
 38 ordinated care organization or any other matter connected with a coordinated care organization's
 39 transactions, and the person of whom the information is requested shall promptly and truthfully re-
 40 ply using the form of communication requested by the *[authority]* **department** and verified by an
 41 officer of the coordinated care organization, if the *[authority]* **department** so requires. A response
 42 is subject to the provisions of ORS 415.103.

43 **SECTION 507.** ORS 415.103 is amended to read:

44 415.103. A person may not file or cause to be filed with the Oregon *[Health Authority]* **Depart-**
 45 **ment of Health** any article, certificate, report, statement, application or other information required

1 or permitted to be filed under ORS 415.012 to 415.430 or 415.501 or rules adopted pursuant to ORS
2 415.011, 415.012 to 415.430 or 415.501 that is known by the person to be false or misleading in any
3 material respect.

4 **SECTION 508.** ORS 415.105 is amended to read:

5 415.105. The Oregon [*Health Authority*] **Department of Health**, whenever the [*authority*] **de-**
6 **partment** deems it advisable in the interest of members of a coordinated care organization or for
7 the public good, shall investigate into the affairs of:

8 (1) A coordinated care organization;

9 (2) A person proposing to form a coordinated care organization; or

10 (3) A person holding the capital stock, membership or other ownership or controlling interest
11 in one or more coordinated care organizations for the purpose of controlling the management of the
12 coordinated care organization as a voting trustee or otherwise.

13 **SECTION 509.** ORS 415.107 is amended to read:

14 415.107. The Oregon [*Health Authority*] **Department of Health** shall examine every coordinated
15 care organization, including an audit of the financial affairs of the coordinated care organization,
16 as often as the [*authority*] **department** determines an examination to be necessary but at least once
17 every five years. An examination shall be conducted for the purpose of determining the financial
18 condition of the coordinated care organization, its ability to fulfill its obligations and its manner of
19 fulfillment, the nature of its operations and its compliance with ORS 415.012 to 415.430 or rules
20 adopted pursuant to ORS 415.011. The [*authority*] **department** may also examine any person holding
21 the capital stock, membership or other ownership or controlling interest in a coordinated care or-
22 ganization for the purpose of controlling the management of the coordinated care organization as
23 a voting trustee or otherwise.

24 **SECTION 510.** ORS 415.109 is amended to read:

25 415.109. (1) When the Oregon [*Health Authority*] **Department of Health** determines that an ex-
26 amination should be conducted, the [*authority*] **department** shall appoint one or more examiners to
27 perform the examination and instruct them as to the scope of the examination. The [*authority*] **de-**
28 **partment** may prescribe the examiner handbook and employ other guidelines and procedures that
29 the [*authority*] **department** determines to be appropriate.

30 (2) The [*authority*] **department** may retain appraisers, independent actuaries, independent cer-
31 tified public accountants or other professionals and specialists in conducting an examination, as
32 needed. The coordinated care organization that is the subject of the examination is responsible for
33 the cost of retaining the professionals and specialists.

34 (3) Upon an examination or investigation of a coordinated care organization, the Oregon [*Health*
35 *Authority*] **Department of Health** may examine under oath all persons who may have material in-
36 formation regarding the property or business of the coordinated care organization being examined
37 or investigated.

38 (4) Every person being examined or investigated shall produce all books, records, accounts, pa-
39 pers, documents and computer and other recordings in its possession or control relating to the
40 matter under examination or investigation, including, in the case of an examination, the property,
41 assets, business and affairs of the person.

42 (5) With regard to an examination, the officers, directors and agents of the coordinated care
43 organization being examined shall provide timely, convenient and free access at all reasonable hours
44 at the offices of the coordinated care organization being examined to all books, records, accounts,
45 papers, documents and computer and other recordings. The officers, directors, employees and agents

1 of the person must facilitate the examination.

2 (6) In an investigation or examination of a coordinated care organization's financial condition,
3 the [authority] **department** may order a coordinated care organization to produce information the
4 coordinated care organization does not possess but to which the coordinated care organization might
5 have access by reason of a contractual relationship or a statutory obligation or by other means. If
6 the coordinated care organization cannot obtain the information the [authority] **department** re-
7 quires, the coordinated care organization shall provide the [authority] **department** with a detailed
8 explanation of the reason the coordinated care organization cannot obtain the information and shall
9 identify the person that possesses the information. If the [authority] **department** finds that the co-
10 ordinated care organization's explanation is without merit, the [authority] **department** may impose
11 a civil penalty on the coordinated care organization as provided in rules adopted pursuant to ORS
12 415.011 (2)(g) or may suspend or revoke the coordinated care organization's contract.

13 **SECTION 511.** ORS 415.111 is amended to read:

14 415.111. (1) Not later than the 60th day after an examination is completed, the examiner in
15 charge of the examination shall submit to the Oregon [Health Authority] **Department of Health** a
16 full and true report of the examination, verified by the oath of the examiner. The report shall com-
17 prise only facts appearing upon the books, papers, records, accounts, documents or computers and
18 other recordings of the coordinated care organization, its agents or other persons being examined
19 or facts ascertained from testimony of individuals concerning the affairs of the coordinated care
20 organization, together with such conclusions and recommendations as reasonably may be warranted
21 from the facts.

22 (2) The [authority] **department** shall make a copy of the report submitted under subsection (1)
23 of this section available to the coordinated care organization that is the subject of the examination
24 and shall give the coordinated care organization an opportunity to review and comment on the re-
25 port. The [authority] **department** may request additional information or meet with the coordinated
26 care organization for the purpose of resolving questions or obtaining additional information and may
27 direct the examiner to consider the additional information for inclusion in the report.

28 (3) Before the [authority] **department** files the examination report as a final examination report
29 or makes the report or any matters relating to it public, the coordinated care organization being
30 examined shall have an opportunity for a hearing. A copy of the report must be mailed by certified
31 mail to the coordinated care organization being examined. The coordinated care organization may
32 request a hearing not later than the 30th day after the date on which the report was mailed. This
33 subsection does not prohibit the [authority] **department** from disclosing a final examination report
34 as provided in subsection (5) of this section.

35 (4) The [authority] **department** shall consider comments presented at a hearing requested under
36 subsection (3) of this section and may direct the examiner to consider the comments or direct that
37 the comments be included in documentation relating to the report, although not as part of the report
38 itself. The [authority] **department** may file the report as a final examination report at any time after
39 consideration of the comments or at any time after the period for requesting a hearing has passed
40 if a hearing is not requested.

41 (5) A report filed as a final examination report is subject to public inspection. The [authority]
42 **department**, after filing any report, if the [authority] **department** considers it to be in the public
43 interest, may publish any report or the result of any examination contained in the report without
44 expense to the person examined.

45 **SECTION 512.** ORS 415.115 is amended to read:

1 415.115. (1) A coordinated care organization shall have an annual audit conducted by an inde-
 2 pendent certified public accountant and shall file an audited financial report annually with the
 3 Oregon [*Health Authority*] **Department of Health** by June 30 following the end of the period to
 4 which the report applies. The annual audited financial report shall disclose:

5 (a) The financial position of the coordinated care organization as of the end of the most recent
 6 calendar year; and

7 (b) The results of the coordinated care organization's operations, cash flows and changes in
 8 capital, surplus and reserves for the year just ended.

9 (2) The [*authority*] **department** shall adopt the following rules as needed for carrying out the
 10 requirements of this section prescribing the:

11 (a) Required contents and format of the audited financial report.

12 (b) Requirements for filing the report.

13 (c) Requirements applicable to qualifications and designation of certified public accountants for
 14 purposes of audits under this section, which may include limitations on length of service for certified
 15 public accountants and may permit recognition of accountants comparably qualified under the laws
 16 of another country.

17 (d) Requirements applicable to evaluation of the accounting procedures of a coordinated care
 18 organization and its system of internal control by a certified public accountant.

19 (e) Standards governing the scope and preparation of the audit.

20 (f) Requirements and procedures relating to the reporting of the adverse financial condition of
 21 a coordinated care organization by a certified public accountant.

22 (g) Requirements and procedures relating to the reporting of significant deficiencies for internal
 23 controls of a coordinated care organization.

24 (h) Exemptions.

25 (i) Any other matter that the [*authority*] **department** determines to be needed for preparation
 26 of or inclusion in the financial report.

27 **SECTION 513.** ORS 415.119 is amended to read:

28 415.119. (1) Except in the case of malfeasance in office or willful or wanton neglect of duty, a
 29 cause of action does not arise and liability may not be imposed against the Oregon [*Health*
 30 *Authority*] **Department of Health**, an authorized representative of the [*authority*] **department** or
 31 any examiner appointed by the [*authority*] **department** for:

32 (a) Any statements made or conduct performed in good faith pursuant to an examination or in-
 33 vestigation.

34 (b) The [*authority's*] **department's** collection, review, analysis or dissemination of the data and
 35 information collected from the filings required by rules adopted pursuant to ORS 415.012 to 415.430
 36 or rules adopted pursuant to ORS 415.011.

37 (2) A cause of action does not arise and liability may not be imposed against any person for
 38 communicating or delivering information or data to the [*authority*] **department** or an authorized
 39 representative of the [*authority*] **department** or examiner pursuant to an examination or investi-
 40 gation if the communication or delivery was performed in good faith and without fraudulent intent
 41 or an intent to deceive.

42 (3) This section does not abrogate or modify in any way any common law or statutory privilege
 43 or immunity otherwise enjoyed by any person to which subsection (1) or (2) of this section applies.

44 (4) The court may award reasonable attorney fees to the prevailing party in a cause of action
 45 arising out of activities of the [*authority*] **department** or an examiner in carrying out an examina-

1 tion or investigation.

2 **SECTION 514.** ORS 415.203 is amended to read:

3 415.203. (1) Whenever the Oregon [*Health Authority*] **Department of Health** determines from
4 any showing or statement made to the [*authority*] **department** from any examination made by the
5 [*authority*] **department** that the assets of a coordinated care organization are less than its liabilities
6 plus required capitalization, the [*authority*] **department** may:

7 (a) Proceed immediately to petition for an order of rehabilitation or liquidation or to commence
8 a delinquency proceeding; or

9 (b) Allow the coordinated care organization a period of time, not to exceed 90 days, in which
10 to make good the amount of the impairment with cash or authorized investments.

11 (2) If the amount of the impairment is not made good within the time prescribed by the
12 [*authority*] **department** under subsection (1) of this section, the [*authority*] **department** shall pro-
13 ceed to petition for an order of rehabilitation or liquidation or to commence a delinquency pro-
14 ceeding.

15 (3) An order directing a coordinated care organization to cure an impairment is confidential for
16 such time as the [*authority*] **department** considers proper but not exceeding the time prescribed by
17 the [*authority*] **department** for making the amount of the impairment good. If the [*authority*] **de-**
18 **partment** determines that the public interest in disclosure outweighs the public interest in pro-
19 tecting or salvaging the solvency of the coordinated care organization, the [*authority*] **department**
20 may make the order available for public inspection.

21 **SECTION 515.** ORS 415.204 is amended to read:

22 415.204. (1) For any reason stated in subsection (2) of this section, the Oregon [*Health*
23 *Authority*] **Department of Health** may order a coordinated care organization to be placed under
24 supervision.

25 (2) The [*authority*] **department** may place a coordinated care organization under supervision if
26 upon examination or at any other time the [*authority*] **department** determines that:

27 (a) The condition of the coordinated care organization renders the continuance of its business
28 hazardous to the public or to its members.

29 (b) The coordinated care organization has refused to permit examination of its books, papers,
30 accounts, records or affairs by the [*authority*] **department** or any deputy, examiner or employee
31 representing the [*authority*] **department**.

32 (c) A coordinated care organization has unlawfully removed from this state books, papers, ac-
33 counts or records necessary for an examination of the coordinated care organization.

34 (d) The coordinated care organization has failed to comply promptly with the applicable finan-
35 cial reporting statutes or rules and any request of the [*authority*] **department** relating to financial
36 reporting.

37 (e) The coordinated care organization has failed to observe an order of the [*authority*] **depart-**
38 **ment** to make good, within the time prescribed by law, any prohibited deficiency in its restricted
39 reserves, capital, capital stock or surplus.

40 (f) The coordinated care organization is continuing to conduct business after its contract has
41 been revoked or suspended by the [*authority*] **department**.

42 (g) The coordinated care organization, by contract or otherwise, has done any of the following
43 unlawfully, in violation of an order of the [*authority*] **department** or without first having obtained
44 written approval of the [*authority*] **department**:

45 (A) Totally reinsured its entire outstanding business; or

- 1 (B) Merged or consolidated substantially its entire property or business with another entity.
- 2 (h) The coordinated care organization has engaged in any transaction in which it is not au-
 3 thorized to engage under the laws of the state.
- 4 (i) The coordinated care organization has failed to comply with any other order of the
 5 [authority] **department**.
- 6 (j) The coordinated care organization has failed to comply with any other applicable provisions
 7 of ORS 415.012 to 415.430 or rules adopted pursuant to ORS 415.011.
- 8 (k) The business of the coordinated care organization is being conducted fraudulently.
- 9 (L) The coordinated care organization agrees to supervision.
- 10 (3) If the [authority] **department** determines that one or more conditions set forth in subsection
 11 (2) of this section exist, the [authority] **department** may do all of the following:
- 12 (a) Notify the coordinated care organization of the determination of the [authority]
 13 **department**.
- 14 (b) Furnish to the coordinated care organization a written list of the requirements to abate the
 15 condition or conditions determined to exist.
- 16 (c) Notify the coordinated care organization that it is under the supervision of the [authority]
 17 **department** and that the [authority] **department** is applying this section and ORS 415.205.
- 18 (4) The [authority] **department** may act as the supervisor to conduct the supervision and oth-
 19 erwise carry out an order under subsection (1) of this section or may appoint another person as
 20 supervisor.
- 21 (5) The [authority] **department** or the appointed supervisor may prohibit any person from taking
 22 any of the following actions during the period of supervision without the prior approval of the [au-
 23 thority] **department** or supervisor:
- 24 (a) Disposing of, conveying or encumbering any of the coordinated care organization's assets or
 25 its business in force.
- 26 (b) Withdrawing from any of the coordinated care organization's bank accounts.
- 27 (c) Lending any of the coordinated care organization's funds.
- 28 (d) Investing any of the coordinated care organization's funds.
- 29 (e) Transferring any of the coordinated care organization's property.
- 30 (f) Incurring any debt, obligation or liability on behalf of the coordinated care organization.
- 31 (g) Merging or consolidating the coordinated care organization with another coordinated care
 32 organization or other person.
- 33 (h) Entering into any new reinsurance contract or treaty.
- 34 (i) Making any material change in management.
- 35 (j) Increasing salaries and benefits of officers or directors.
- 36 (k) Making or increasing preferential payment of bonuses, dividends or other payments deter-
 37 mined by the [authority] **department** to be preferential.
- 38 (L) Any other action affecting the business or condition of the coordinated care organization.
- 39 (6) The [authority] **department** may apply to any circuit court for any restraining order, pre-
 40 liminary and permanent injunctions and other orders necessary to enforce a supervision order.
- 41 (7) During the period of supervision, the coordinated care organization may file a written re-
 42 quest for a hearing to review the supervision or any action taken or proposed to be taken. A request
 43 under this subsection does not suspend the supervision. The coordinated care organization must
 44 specify in the request the manner in which the action being complained of would not result in im-
 45 proving the condition of the coordinated care organization. The hearing shall be held within 30 days

1 after the filing of the request. The [authority] **department** shall complete the review of the super-
2 vision or other action and shall take action under subsection (8) of this section if appropriate within
3 30 days after the record for the hearing is closed.

4 (8) The [authority] **department** shall release a coordinated care organization from supervision
5 if the [authority] **department** determines upon hearing that none of the conditions giving rise to the
6 supervision exist.

7 **SECTION 516.** ORS 415.205 is amended to read:

8 415.205. (1) A coordinated care organization placed under supervision must correct, eliminate
9 or remedy the acts, transactions or practices that are the basis for the order of supervision and
10 otherwise comply with the requirements of the Oregon [Health Authority] **Department of Health**
11 within the period of time allowed by the [authority] **department**, not to exceed 60 days, after the
12 date on which the order is served on the coordinated care organization.

13 (2) If the [authority] **department** determines that the conditions giving rise to the supervision
14 still exist at the end of the supervision period established in subsection (1) of this section, the [au-
15 thority] **department** may extend the period.

16 (3) During the period of supervision of a coordinated care organization, the [authority] **depart-
17 ment** may institute rehabilitation or liquidation proceedings, extend the period of supervision or
18 take any other action authorized by law.

19 (4) The [authority] **department** or supervisor on behalf of a coordinated care organization under
20 supervision may bring an action for damages against any person who violates any order of the [au-
21 thority] **department** under ORS 415.204 if the violation reduces the net worth of the coordinated
22 care organization or results in loss to the coordinated care organization that the coordinated care
23 organization would not have suffered otherwise. The [authority] **department** or supervisor may re-
24 cover damages to the extent of the reduction or loss.

25 **SECTION 517.** ORS 415.251 is amended to read:

26 415.251. (1) The circuit court shall have original jurisdiction of delinquency proceedings, and any
27 court with jurisdiction is authorized to make all necessary or proper orders to carry out the pur-
28 poses of ORS 415.203 to 415.430.

29 (2) The venue of delinquency proceedings and proceedings under ORS 415.203 to 415.430 against
30 a coordinated care organization shall be in the Circuit Court for Marion County.

31 (3) At any time after the commencement of a delinquency proceeding or a proceeding under ORS
32 415.203 to 415.430, the court may issue an order changing the venue of the proceeding on motion
33 of the Oregon [Health Authority] **Department of Health** or other interested person if the court finds
34 the proceedings may be more economically and efficiently conducted thereby.

35 **SECTION 518.** ORS 415.252 is amended to read:

36 415.252. (1) Delinquency proceedings constitute the sole and exclusive method of rehabilitating,
37 liquidating or conserving a coordinated care organization, and a court may not entertain a petition
38 for the commencement of such proceedings, or any other similar procedure, unless the Oregon
39 [Health Authority] **Department of Health** has filed such a petition in the name of the state.

40 (2) A coordinated care organization shall appeal an order granting or refusing rehabilitation,
41 liquidation or conservation and every order in delinquency proceedings that has the character of a
42 final order to the Court of Appeals.

43 **SECTION 519.** ORS 415.261 is amended to read:

44 415.261. (1) The Oregon [Health Authority] **Department of Health** shall commence a delin-
45 quency proceeding by an application to the court for an order directing the coordinated care or-

1 organization to show cause why the [authority] **department** should not have the relief prayed for.

2 (2) The application shall be by petition, verified by the [authority] **department**, setting forth the
3 ground or grounds for the proceeding and the relief demanded.

4 (3) If the court is satisfied from reading the [authority's] **department's** petition that the facts
5 alleged, if established, would constitute grounds for a delinquency proceeding, the court shall issue
6 an order to the coordinated care organization to show cause.

7 (4) On the return of the order to show cause, and after a full hearing, the court shall either deny
8 the application or grant the application, together with such other relief as the nature of the case
9 and the interests of the members of the coordinated care organization or the public may require.

10 (5) After commencement of a delinquency proceeding by the [authority] **department**, the court
11 may make any further orders necessary in response to the application of any interested person.

12 **SECTION 520.** ORS 415.263 is amended to read:

13 415.263. (1) An officer, manager, member of the governing board, trustee, owner, employee or
14 agent of a coordinated care organization, and any other person with authority over or in charge of
15 any portion of the coordinated care organization's affairs, including any person who exercises con-
16 trol directly or indirectly over the activities of the coordinated care organization through a holding
17 company or other affiliate of the coordinated care organization, shall cooperate with the Oregon
18 [Health Authority] **Department of Health** in any delinquency proceeding or any investigation pre-
19 liminary to the proceeding. For purposes of this section, cooperation with the [authority] **depart-**
20 **ment** includes at least the following:

21 (a) Replying promptly in writing to any inquiry from the [authority] **department** requesting such
22 a reply; and

23 (b) Making available to the [authority] **department** any books, accounts, documents or other
24 records, information or property of or pertaining to the coordinated care organization and in the
25 possession, custody or control of the coordinated care organization.

26 (2) A person may not obstruct or interfere with the [authority] **department** in conducting a de-
27 linquency proceeding or any investigation that is preliminary or incidental to a delinquency pro-
28 ceeding.

29 (3) This section may not be construed to abridge existing legal rights, including the right to
30 resist a petition for liquidation or other delinquency proceedings, or other orders.

31 **SECTION 521.** ORS 415.265 is amended to read:

32 415.265. (1) Upon application by the Oregon [Health Authority] **Department of Health** for an
33 order to show cause under ORS 415.261, or at any time thereafter, the court may, without notice,
34 issue an injunction restraining a coordinated care organization, its officers, members of its govern-
35 ing board, agents, employees and all other persons from the transaction of its business or the waste
36 or disposition of its property until the further order of the court.

37 (2) The court may at any time during a delinquency proceeding issue other injunctions or orders
38 to prevent any of the following activities:

39 (a) Transacting further business of the coordinated care organization.

40 (b) Transferring property.

41 (c) Interfering with the receiver or with a delinquency proceeding.

42 (d) Wasting assets of a coordinated care organization.

43 (e) Dissipating or transferring bank accounts.

44 (f) Instituting or further prosecuting any actions or proceedings.

45 (g) Obtaining preferences, judgments, attachments, garnishments or liens against the coordinated

1 care organization or its assets.

2 (h) Levying execution against the coordinated care organization or its assets.

3 (i) The making of a sale or deed for nonpayment of taxes or assessments that would lessen the
4 value of the assets of the coordinated care organization.

5 (j) Withholding from the receiver books, accounts, documents or other records relating to the
6 business of the coordinated care organization.

7 (k) Taking any other threatened or contemplated action that might lessen the value of the assets
8 of the coordinated care organization or prejudice the rights of the state, creditors or other inter-
9 ested persons, or the administration of a delinquency proceeding.

10 (3) Notwithstanding any other provision of law, the [authority] **department** may not be required
11 to post bond as a prerequisite for issuing any injunction or restraining order pursuant to this sec-
12 tion.

13 **SECTION 522.** ORS 415.280 is amended to read:

14 415.280. (1) The Oregon [Health Authority] **Department of Health** may petition the circuit court
15 for an order:

16 (a) Directing the [authority] **department** to rehabilitate a coordinated care organization on one
17 or more of the following grounds:

18 (A) The coordinated care organization is impaired.

19 (B) The coordinated care organization has failed to submit its books, papers, accounts or affairs
20 for the reasonable inspection and examination by the [authority] **department**.

21 (C) Without first obtaining the written consent of the [authority] **department**, the coordinated
22 care organization has by contract of reinsurance, or otherwise, transferred or attempted to transfer
23 substantially its entire property or business, or has entered into any transaction the effect of which
24 is to merge, consolidate or reinsure substantially its entire property or business in or with the
25 property or business of any other person, without first having complied with rules adopted pursuant
26 to ORS 415.011 (2)(i).

27 (D) The coordinated care organization is in such condition that its further transaction of busi-
28 ness would be hazardous to its members, creditors, the state or the public.

29 (E) The coordinated care organization has violated its articles of incorporation, its bylaws, any
30 law of the state or any order of the [authority] **department**.

31 (F) Any person who has executive authority in the coordinated care organization, whether an
32 officer, manager, general agent, member of the governing board or trustee, employee or other per-
33 son, has refused to be examined under oath by the [authority] **department** concerning its affairs,
34 whether in this state or elsewhere, and after reasonable notice of the fact, the coordinated care
35 organization has not promptly and effectively terminated the employment and status of the person
36 and all influence of the person on management.

37 (G) The coordinated care organization or its property has been or is the subject of an applica-
38 tion for the appointment of a receiver, trustee, custodian, conservator or sequestrator or similar
39 fiduciary of the coordinated care organization or of its property other than as authorized under ORS
40 415.012 to 415.430 and rules adopted pursuant to ORS 415.011, and the appointment has been made
41 or is imminent, and the appointment might deprive the courts of this state of jurisdiction or might
42 prejudice orderly delinquency proceedings.

43 (H) The coordinated care organization has consented to the order by a vote of a majority of its
44 governing board.

45 (I) The coordinated care organization has failed to pay any obligation to any state or any sub-

1 division of the state.

2 (J) The coordinated care organization has failed to pay a binding final judgment rendered
3 against it by the later of:

4 (i) Sixty days after the judgment became final;

5 (ii) Sixty days after the time for taking an appeal expired; or

6 (iii) Sixty days after the dismissal of an appeal before final determination.

7 (K) There is reasonable cause to believe that there has been embezzlement from the coordinated
8 care organization, wrongful sequestration or diversion of the coordinated care organization's assets,
9 forgery or fraud affecting the coordinated care organization or other illegal conduct in, by or with
10 respect to the coordinated care organization that if established would endanger assets in an amount
11 threatening the solvency of the coordinated care organization.

12 (L) The coordinated care organization has failed to remove a person who has executive author-
13 ity in the coordinated care organization, whether an officer, manager, general agent, member of the
14 governing board, trustee, employee or other person, if the person has been found by the [authority]
15 **department** to be dishonest or untrustworthy in a way affecting the coordinated care organization's
16 business.

17 (M) Control of the coordinated care organization, whether by stock ownership or otherwise, and
18 whether direct or indirect, is in a person or persons who have been found by the [authority] **de-**
19 **partment** to be untrustworthy.

20 (N) The coordinated care organization has failed to file reports or financial data required by
21 statute or by rule within the time allowed by law or within any additional time allowed by the
22 [authority] **department**.

23 (b) Authorizing the [authority] **department** to seize all or part of the property, books, accounts
24 and other records of a coordinated care organization as well as the premises where health services
25 are provided or administrative functions for a coordinated care organization are housed.

26 (c) Enjoining the coordinated care organization from disposing of its property and transacting
27 business except as allowed by written consent of the [authority] **department**.

28 (2) The [authority] **department** must include all of the following in the petition under subsection
29 (1) of this section:

30 (a) An allegation that one or more grounds exist that would justify a court order for a rehabil-
31 itation or liquidation proceeding against the coordinated care organization.

32 (b) An allegation that the interests of members of the coordinated care organization, creditors
33 of the coordinated care organization or the public will be endangered by delay.

34 (c) The contents of the order that the [authority] **department** requests the court to issue.

35 **SECTION 523.** ORS 415.281 is amended to read:

36 415.281. (1) Upon petition by the Oregon [Health Authority] **Department of Health** under ORS
37 415.280, the court may issue the requested order immediately, ex parte and without hearing. The
38 court in its order shall specify the duration of the order. The duration of an order shall be a period
39 sufficient to enable the [authority] **department** to ascertain the condition of the coordinated care
40 organization.

41 (2) On motion of the [authority] **department** or the coordinated care organization against whom
42 an order under this section is issued, or on the court's own motion, the court may hold such
43 hearings from time to time as the court determines are desirable, after such notice as it determines
44 appropriate, and may extend, shorten or modify the terms of the order.

45 (3) The court may vacate an order issued under this section if the court determines that the

1 [authority] **department** has not commenced a rehabilitation or liquidation proceeding within a rea-
 2 sonable time.

3 (4) An order of the court directing a rehabilitation or liquidation proceeding vacates the order
 4 issued under this section.

5 (5) Entry of a seizure order under this section does not constitute an anticipatory breach of any
 6 contract of the coordinated care organization.

7 (6) At any time after a court issues an order under this section, the court may direct that notice
 8 of the order be given to a person if the court determines both of the following:

9 (a) That the person was not notified of the hearing on the order and did not appear at the
 10 hearing.

11 (b) That the interest of the person is or will be substantially affected by the order.

12 **SECTION 524.** ORS 415.284 is amended to read:

13 415.284. The Oregon [*Health Authority*] **Department of Health**, in connection with supervising
 14 a coordinated care organization or conducting a delinquency proceeding, may appoint one or more
 15 special deputy directors to act for the [authority] **department** and may employ counsel, clerks and
 16 assistants as the [authority] **department** deems necessary. Unless otherwise provided by the [au-
 17 thority] **department**, a person so appointed is not a state employee solely by reason of the ap-
 18 pointment. The compensation of the special deputies, counsel, clerks or assistants and all expenses
 19 of supervising the coordinated care organization or taking possession of a delinquent coordinated
 20 care organization and conducting delinquency proceedings must be paid out of the funds or assets
 21 of the coordinated care organization. A special deputy acting within limits the [authority] **depart-**
 22 **ment** imposes with respect to supervising a coordinated care organization or conducting delin-
 23 quency proceedings has a receiver's powers and is subject to a receiver's duties.

24 **SECTION 525.** ORS 415.300 is amended to read:

25 415.300. (1) An order to rehabilitate a coordinated care organization shall direct the Oregon
 26 [*Health Authority*] **Department of Health** to take possession of the property of the coordinated care
 27 organization and to conduct the business of the coordinated care organization, and to take such
 28 steps toward removing the causes and conditions that made rehabilitation necessary as directed by
 29 the court.

30 (2) If at any time the [authority] **department** deems that further efforts to rehabilitate the co-
 31 ordinated care organization would be useless, the [authority] **department** may apply to the court for
 32 an order of liquidation under ORS 415.335.

33 (3) The [authority] **department** may apply at any time for an order terminating the rehabili-
 34 tation proceeding and permitting the coordinated care organization to resume possession of its
 35 property and the conduct of its business, but the order may not be granted except after a full
 36 hearing.

37 **SECTION 526.** ORS 415.330 is amended to read:

38 415.330. The Oregon [*Health Authority*] **Department of Health** may apply for an order directing
 39 the [authority] **department** to liquidate the business of a coordinated care organization, regardless
 40 of whether there has been a prior order directing the [authority] **department** to rehabilitate the
 41 coordinated care organization, upon any of the grounds specified in ORS 415.280, or if the coordi-
 42 nated care organization:

43 (1) Has ceased transacting business for a period of one year;

44 (2) Under any laws except ORS 415.203 to 415.430 or rules adopted pursuant to ORS 415.011,
 45 has:

1 (a) Commenced voluntary liquidation or dissolution;

2 (b) Attempted to commence or prosecute an action or proceeding to liquidate its business or
3 affairs;

4 (c) Commenced dissolving its corporate charter; or

5 (d) Commenced procuring the appointment of a receiver, trustee, custodian, or sequestrator; or

6 (3) Is insolvent.

7 **SECTION 527.** ORS 415.333 is amended to read:

8 415.333. The Oregon [*Health Authority*] **Department of Health**, after taking possession of the
9 property and business of any coordinated care organization, shall:

10 (1) Subject to a court's direction, immediately conduct the business of the coordinated care or-
11 ganization or take steps authorized by law to rehabilitate, liquidate or conserve the coordinated
12 care organization;

13 (2) Be vested with the coordinated care organization's title and interest in and to all assets and
14 property of every kind, both tangible and intangible;

15 (3) Possess, in the name of the coordinated care organization or in the name of the [*authority*]
16 **department**, all rights, privileges, powers and authority granted to coordinated care organizations
17 in this state or otherwise possessed by coordinated care organizations generally, without regard to
18 any limitations prescribed in the articles or bylaws of the coordinated care organization; and

19 (4) Perform and do all acts that the [*authority*] **department** deems necessary, advisable or ex-
20 pedient.

21 **SECTION 528.** ORS 415.335 is amended to read:

22 415.335. (1) An order to liquidate the business of a coordinated care organization shall direct the
23 Oregon [*Health Authority*] **Department of Health** to:

24 (a) Take possession of the property of the coordinated care organization;

25 (b) Liquidate the business of the coordinated care organization;

26 (c) Deal with the coordinated care organization's property and business in the name of the [*au-*
27 *thority*] **department** or in the name of the coordinated care organization as the court may direct;
28 and

29 (d) Give notice to all creditors who may have claims against the coordinated care organization
30 to present such claims.

31 (2) The [*authority*] **department** may apply to the court for an order dissolving the corporate
32 existence of a coordinated care organization at the time the [*authority*] **department** applies for an
33 order to liquidate or at any time after an order to liquidate has been granted.

34 **SECTION 529.** ORS 415.340 is amended to read:

35 415.340. (1) Whenever a receiver is to be appointed in delinquency proceedings for a coordinated
36 care organization, the court shall appoint the Oregon [*Health Authority*] **Department of Health** as
37 the receiver. The court shall direct the receiver to take possession of the property of the coordi-
38 nated care organization and to administer the property as ordered by the court.

39 (2) Any deed or other instrument executed in a delinquency proceeding or by an order of liqui-
40 dation shall be valid and effectual for all purposes as though the same had been executed by the
41 person affected by any proceedings or by the officers of the coordinated care organization pursuant
42 to the direction of its governing board. A record of the order directing possession to be taken, or
43 a certified copy of the order, filed in the office where instruments affecting title to property are
44 required to be filed or recorded, shall have the same effect as the filing or recording of a deed, bill
45 of sale or other evidence of title.

1 (3) If any real property sold by the [authority] **department** is located in a county other than the
 2 county where the proceeding is pending, the [authority] **department** shall file a certified copy of the
 3 order of the appointment, or order authorizing or ratifying the sale, with the recording officer for
 4 the county where the property is located.

5 (4) The [authority] **department** as receiver shall be responsible on the official bond of the [au-
 6 thority] **department** for the proper administration of all property coming into the possession or
 7 control of the [authority] **department**. The court may at any time require an additional bond from
 8 the [authority] **department** or the deputies of the [authority] **department** if deemed desirable for the
 9 protection of the property.

10 **SECTION 530.** ORS 415.341 is amended to read:

11 415.341. (1) The following persons are entitled to protection under this section:

12 (a) All receivers responsible for the conduct of a delinquency proceeding under ORS 415.203 to
 13 415.430, including present and former receivers.

14 (b) All employees of the receiver described in paragraph (a) of this subsection. For purposes of
 15 this section, such employees include all present and former special deputies and assistant special
 16 deputies appointed by the Oregon [Health Authority] **Department of Health** and all persons whom
 17 the [authority] **department**, special deputies or assistant special deputies have employed to assist
 18 in a delinquency proceeding. Unless designated as special deputies, attorneys, accountants, auditors
 19 and other professional persons or firms who are retained by the receiver as independent contractors
 20 and their employees are not entitled to protection under this section.

21 (2) The receiver and employees of the receiver shall have official immunity and shall be immune
 22 from civil action and liability, both personally and in their official capacities, for any tort claim or
 23 demand, whether groundless or otherwise, arising out of any alleged act, error or omission of the
 24 receiver or any employee occurring in the performance of duties. For purposes of this section,
 25 “tort” has the meaning given that term in ORS 30.260.

26 (3) The receiver and employees of the receiver shall be indemnified from the assets of the co-
 27 ordinated care organization against any tort claim arising out of any alleged act, error or omission
 28 of the receiver or any employee occurring in the performance of duties, whether personally or in the
 29 official capacity of the receiver or employee. Any indemnification made under this subsection is an
 30 administrative expense of the coordinated care organization.

31 (4) The provisions of subsections (2) and (3) of this section do not apply in case of malfeasance
 32 in office or willful or wanton neglect of duty.

33 (5) In any legal action in which the receiver is a defendant, the portion of any settlement re-
 34 lating to the alleged act, error or omission of the receiver is subject to the approval of the court
 35 before which the delinquency proceeding is pending. The court may not approve the portion of the
 36 settlement if it determines:

37 (a) That the claim did not occur in the performance of the receiver’s duties; or

38 (b) That the claim was caused by malfeasance in office or willful or wanton neglect of duty by
 39 the receiver.

40 (6) This section may not be construed or applied to deprive the receiver or any employee of any
 41 immunity, indemnity, benefits of law, rights or any defense otherwise available.

42 **SECTION 531.** ORS 415.400 is amended to read:

43 415.400. (1) A court may make an order declaring a coordinated care organization insolvent at
 44 the time it grants an order of liquidation or at any time during the liquidation proceedings. When
 45 the order is issued, the Oregon [Health Authority] **Department of Health** shall provide notice, in

1 the manner determined by the court, to all persons who may have claims against the coordinated
 2 care organization and who have not filed proper proofs of their claims. The notice must instruct the
 3 persons to present their claims to the [authority] **department**, at a specified place, within four
 4 months from the date of the entry of the insolvency order or within a longer time as the court
 5 prescribes. The notice must specify the last day that persons may file proofs of claims.

6 (2) A claimant filing a proof of claim after the last day specified for filing a claim may share in
 7 the distribution of the assets after all allowed claims for which proofs were timely filed are paid in
 8 full.

9 **SECTION 532.** ORS 415.404 is amended to read:

10 415.404. (1) A contingent claim against a coordinated care organization shall be filed, presented
 11 and reported in the same manner and within the same time limitations as provided in ORS 415.400
 12 for a noncontingent claim. Contingent claims shall be allowed to share in a distribution of assets in
 13 the same manner as noncontingent claims of the same class and priority, provided that the contin-
 14 gent claim becomes an absolute claim either as a result of proof presented or litigation.

15 (2) Nothing in subsection (1) of this section prevents or bars the Oregon [Health Authority]
 16 **Department of Health** from compromising a disputed claim with a claimant, whether contingent
 17 or noncontingent, if the compromise is justified and supported by the facts and circumstances.

18 (3) If full or partial distribution to noncontingent claimants is authorized or directed by the
 19 court prior to satisfaction of the requirements of subsection (1) of this section, the [authority] **de-**
 20 **partment** shall retain a sum equal to the amount that would have been paid on the contingent
 21 claims if the requirements in subsection (1) of this section had been met. The amount withheld shall
 22 be distributed to the person or persons found by the court to be entitled to a distribution when:

23 (a) The contingent claims are fully established as provided in subsection (1) of this section; or

24 (b) The [authority] **department** is satisfied that the contingent claims are without merit or
 25 cannot be proved or established, or the statute of limitations would bar further consideration or
 26 recovery on the claim.

27 (4)(a) A judgment entered after the commencement of a delinquency proceeding is conclusive
 28 evidence in the liquidation proceeding, either of liability or of the amount of damages.

29 (b) A judgment entered after the date of entry of a liquidation order may not be considered in
 30 the liquidation proceedings as evidence of liability or of the amount of damages.

31 **SECTION 533.** ORS 415.422 is amended to read:

32 415.422. (1) A transfer of or lien upon the property of a coordinated care organization, other
 33 than as provided in ORS 415.420, is voidable if the transfer or lien is:

34 (a) Made or created within four months prior to the commencement of a delinquency proceeding;

35 (b) Made with the intent of giving to a transferee or lienor or enabling the transferee or lienor
 36 to obtain a greater percentage of the debt than any other creditor of the same class; and

37 (c) Accepted by a transferee or lienor who has reasonable cause to believe that the transferee
 38 or lienor will obtain a greater percentage of the debt than any other creditor of the same class.

39 (2) Every director, officer, employee or other person acting on behalf of a coordinated care or-
 40 ganization who participates in a transfer or lien described in subsection (1) of this section, and every
 41 person receiving any property of the coordinated care organization or the benefit of the transfer or
 42 lien, shall be personally liable as described in subsection (3) of this section.

43 (3) The Oregon [Health Authority] **Department of Health**, as a receiver in a delinquency pro-
 44 ceeding, may avoid any transfer of, or lien upon, the property of a coordinated care organization
 45 described in subsection (1) of this section and may recover the property or value of the property

1 transferred or attached unless the person in possession of the property or the lien was a bona fide
 2 holder for value prior to the commencement of the delinquency proceeding.

3 **SECTION 534.** ORS 415.430 is amended to read:

4 415.430. (1) For the purpose of this section only, and only in the event of a finding of impairment
 5 by the Oregon [*Health Authority*] **Department of Health**, as described in ORS 415.203, or of a final
 6 order of liquidation, any covered health care service furnished within this state by a provider to a
 7 member of a coordinated care organization shall be considered to have been furnished pursuant to
 8 a contract between the provider and the coordinated care organization with whom the member was
 9 enrolled when the services were furnished.

10 (2) Each contract between a coordinated care organization and a provider of health care ser-
 11 vices shall provide that if the coordinated care organization fails to pay for covered health care
 12 services as set forth in the coordinated care organization’s contract with the [*authority*]
 13 **department**, the member is not liable to the provider for any amounts owed by the coordinated care
 14 organization.

15 (3) If the contract between the contracting provider and the coordinated care organization has
 16 not been reduced to writing or fails to contain the provisions required by subsection (2) of this
 17 section, the member is not liable to the [*authority*] **department** for any amounts owed by the coor-
 18 dinated care organization.

19 (4) A contracting provider or agent, trustee or assignee of the contracting provider may not
 20 maintain a civil action against a member to collect any amounts owed by the coordinated care or-
 21 ganization for which the member is not liable to the contracting provider under this section.

22 (5) Nothing in this section impairs the right of a provider to charge, collect from, attempt to
 23 collect from or maintain a civil action against a member for any of the following:

24 (a) Health care services not covered by the medical assistance program.

25 (b) Health care services rendered after the termination of the contract between the coordinated
 26 care organization and the provider, unless the health care services were rendered during the con-
 27 finement in an inpatient facility and the confinement began prior to the date of termination or un-
 28 less the provider has assumed post-termination treatment obligations under the contract.

29 (6) Nothing in this section prohibits a member from seeking noncovered health care services
 30 from a provider and accepting financial responsibility for these services.

31 (7) A coordinated care organization may not limit the right of a provider of health care services
 32 to contract with the patient for payment of services not within the scope of coverage under the
 33 medical assistance program.

34 **SECTION 535.** ORS 415.500 is amended to read:

35 415.500. As used in this section and ORS 415.501 and 415.505:

36 (1) “Corporate affiliation” has the meaning prescribed by the Oregon [*Health Authority*] **De-**
 37 **partment of Health** by rule, including:

38 (a) Any relationship between two organizations that reflects, directly or indirectly, a partial or
 39 complete controlling interest or partial or complete corporate control; and

40 (b) Transactions that merge tax identification numbers or corporate governance.

41 (2) “Essential services” means:

42 (a) Services that are funded on the prioritized list described in ORS 414.690; and

43 (b) Services that are essential to achieve health equity.

44 (3) “Health benefit plan” has the meaning given that term in ORS 743B.005.

45 (4)(a) “Health care entity” includes:

- 1 (A) An individual health professional licensed or certified in this state;
- 2 (B) A hospital, as defined in ORS 442.015, or hospital system, as defined by the [authority] **de-**
- 3 **partment** by rule;
- 4 (C) A carrier, as defined in ORS 743B.005, that offers a health benefit plan in this state;
- 5 (D) A Medicare Advantage plan;
- 6 (E) A coordinated care organization or a prepaid managed care health services organization, as
- 7 both terms are defined in ORS 414.025; and
- 8 (F) Any other entity that has as a primary function the provision of health care items or ser-
- 9 vices or that is a parent organization of, or is an entity closely related to, an entity that has as a
- 10 primary function the provision of health care items or services.
- 11 (b) “Health care entity” does not include:
- 12 (A) Long term care facilities, as defined in ORS 442.015.
- 13 (B) Facilities licensed and operated under ORS 443.400 to 443.455.
- 14 (5) “Health equity” has the meaning prescribed by the Oregon Health Policy Board and adopted
- 15 by the [authority] **department** by rule.
- 16 (6)(a) “Material change transaction” means:
- 17 (A) A transaction in which at least one party had average revenue of \$25 million or more in the
- 18 preceding three fiscal years and another party:
- 19 (i) Had an average revenue of at least \$10 million in the preceding three fiscal years; or
- 20 (ii) In the case of a new entity, is projected to have at least \$10 million in revenue in the first
- 21 full year of operation at normal levels of utilization or operation as prescribed by the [authority]
- 22 **department** by rule.
- 23 (B) If a transaction involves a health care entity in this state and an out-of-state entity, a
- 24 transaction that otherwise qualifies as a material change transaction under this paragraph that may
- 25 result in increases in the price of health care or limit access to health care services in this state.
- 26 (b) “Material change transaction” does not include:
- 27 (A) A clinical affiliation of health care entities formed for the purpose of collaborating on clin-
- 28 ical trials or graduate medical education programs.
- 29 (B) A medical services contract or an extension of a medical services contract.
- 30 (C) An affiliation that:
- 31 (i) Does not impact the corporate leadership, governance or control of an entity; and
- 32 (ii) Is necessary, as prescribed by the [authority] **department** by rule, to adopt advanced
- 33 value-based payment methodologies to meet the health care cost growth targets under ORS 442.386.
- 34 (D) Contracts under which one health care entity, for and on behalf of a second health care
- 35 entity, provides patient care and services or provides administrative services relating to, supporting
- 36 or facilitating the provision of patient care and services, if the second health care entity:
- 37 (i) Maintains responsibility, oversight and control over the patient care and services; and
- 38 (ii) Bills and receives reimbursement for the patient care and services.
- 39 (E) Transactions in which a participant that is a health center as defined in 42 U.S.C. 254b,
- 40 while meeting all of the participant’s obligations, acquires, affiliates with, partners with or enters
- 41 into any agreement with another entity unless the transaction would result in the participant no
- 42 longer qualifying as a health center under 42 U.S.C. 254b.
- 43 (7)(a) “Medical services contract” means a contract to provide medical or mental health services
- 44 entered into by:
- 45 (A) A carrier and an independent practice association;

1 (B) A carrier, coordinated care organization, independent practice association or network of
2 providers and one or more providers, as defined in ORS 743B.001;

3 (C) An independent practice association and an individual health professional or an organization
4 of health care providers;

5 (D) Medical, dental, vision or mental health clinics; or

6 (E) A medical, dental, vision or mental health clinic and an individual health professional to
7 provide medical, dental, vision or mental health services.

8 (b) "Medical services contract" does not include a contract of employment or a contract creat-
9 ing a legal entity and ownership of the legal entity that is authorized under ORS chapter 58, 60 or
10 70 or under any other law authorizing the creation of a professional organization similar to those
11 authorized by ORS chapter 58, 60 or 70, as may be prescribed by the [authority] **department** by rule.

12 (8) "Net patient revenue" means the total amount of revenue, after allowance for contractual
13 amounts, charity care and bad debt, received for patient care and services, including:

14 (a) Value-based payments;

15 (b) Incentive payments;

16 (c) Capitation payments or payments under any similar contractual arrangement for the pre-
17 payment or reimbursement of patient care and services; and

18 (d) Any payment received by a hospital to reimburse a hospital assessment under ORS 414.855.

19 (9) "Revenue" means:

20 (a) Net patient revenue; or

21 (b) The gross amount of premiums received by a health care entity that are derived from health
22 benefit plans.

23 (10) "Transaction" means:

24 (a) A merger of a health care entity with another entity;

25 (b) An acquisition of one or more health care entities by another entity;

26 (c) New contracts, new clinical affiliations and new contracting affiliations that will eliminate
27 or significantly reduce, as defined by the [authority] **department** by rule, essential services;

28 (d) A corporate affiliation involving at least one health care entity; or

29 (e) Transactions to form a new partnership, joint venture, accountable care organization, parent
30 organization or management services organization, as prescribed by the [authority] **department** by
31 rule.

32 **SECTION 536.** ORS 415.501 is amended to read:

33 415.501. (1) The purpose of this section is to promote the public interest and to advance the
34 goals set forth in ORS 414.018 and the goals of the Oregon Integrated and Coordinated Health Care
35 Delivery System described in ORS 414.570.

36 (2) In accordance with subsection (1) of this section, the Oregon [Health Authority] **Department**
37 **of Health** shall adopt by rule criteria approved by the Oregon Health Policy Board for the consid-
38 eration of requests by health care entities to engage in a material change transaction and proce-
39 dures for the review of material change transactions under this section.

40 (3)(a) A notice of a material change transaction involving the sale, merger or acquisition of a
41 domestic health insurer shall be submitted to the Department of Consumer and Business Services
42 as an addendum to filings required by ORS 732.517 to 732.546 or 732.576. The Department **of Con-**
43 **sumer and Business Services** shall provide to the [authority] **Oregon Department of Health** the
44 notice submitted under this subsection to enable the [authority] **Oregon Department of Health** to
45 conduct a review in accordance with subsections (5) and (7) of this section. The [authority] **Oregon**

1 **Department of Health** shall notify the Department of **Consumer and Business Services** of the
2 outcome of the [authority's] review.

3 (b) The Department of **Consumer and Business Services** shall make the final determination
4 in material change transactions involving the sale, merger or acquisition of a domestic health
5 insurer and shall coordinate with the [authority] **Oregon Department of Health** to incorporate the
6 [authority's] **outcome of the Oregon Department of Health's** review into the [department's] final
7 determination.

8 (4) An entity shall submit to the [authority] **Oregon Department of Health** a notice of a ma-
9 terial change transaction, other than a transaction described in subsection (3) of this section, in the
10 form and manner prescribed by the [authority] **department**, no less than 180 days before the date
11 of the transaction and shall pay a fee prescribed in ORS 415.512.

12 (5) No later than 30 days after receiving a notice described in subsections (3) and (4) of this
13 section, the [authority] **department** shall conduct a preliminary review to determine if the trans-
14 action has the potential to have a negative impact on access to affordable health care in this state
15 and meets the criteria in subsection (9) of this section.

16 (6) Following a preliminary review, the [authority] **department** or the Department of **Consumer**
17 **and Business Services** shall approve a transaction or approve a transaction with conditions de-
18 signed to further the goals described in subsection (1) of this section based on criteria prescribed
19 by the [authority] **Oregon Department of Health** by rule, including but not limited to:

20 (a) If the transaction is in the interest of consumers and is urgently necessary to maintain the
21 solvency of an entity involved in the transaction; or

22 (b) If the [authority] **department** determines that the transaction does not have the potential to
23 have a negative impact on access to affordable health care in this state or the transaction is likely
24 to meet the criteria in subsection (9) of this section.

25 (7)(a) Except as provided in paragraph (b) of this subsection, if a transaction does not meet the
26 criteria in subsection (6) of this section, the [authority] **department** shall conduct a comprehensive
27 review and may appoint a review board of stakeholders to conduct a comprehensive review and
28 make recommendations as provided in subsections (11) to (18) of this section. The [authority] **de-**
29 **partment** shall complete the comprehensive review no later than 180 days after receipt of the no-
30 tice unless the parties to the transaction agree to an extension of time.

31 (b) [The authority or the] **Either** department may intervene in a transaction described in ORS
32 415.500 (6)(a)(C) in which the final authority rests with another state and, if the transaction is ap-
33 proved by the other state, may place conditions on health care entities operating in this state with
34 respect to the insurance or health care industry market in this state, prices charged to patients
35 residing in this state and the services available in health care facilities in this state, to serve the
36 public good.

37 (8) The [authority] **Oregon Department of Health** shall prescribe by rule:

38 (a) Criteria to exempt an entity from the requirements of subsection (4) of this section if there
39 is an emergency situation that threatens immediate care services and the transaction is urgently
40 needed to protect the interest of consumers;

41 (b) Provision for the [authority's] **department's** failure to complete a review under subsection
42 (5) of this section within 30 days; and

43 (c) Criteria for when to conduct a comprehensive review and appoint a review board under
44 subsection (7) of this section that must include, but is not limited to:

45 (A) The potential loss or change in access to essential services;

1 (B) The potential to impact a large number of residents in this state; or

2 (C) A significant change in the market share of an entity involved in the transaction.

3 (9) A health care entity may engage in a material change transaction if, following a compre-
4 hensive review conducted by the [authority] **department** and recommendations by a review board
5 appointed under subsection (7) of this section, the [authority] **department** determines that the
6 transaction meets the criteria adopted by the department by rule under subsection (2) of this section
7 and:

8 (a)(A) The parties to the transaction demonstrate that the transaction will benefit the public
9 good and communities by:

10 (i) Reducing the growth in patient costs in accordance with the health care cost growth targets
11 established under ORS 442.386 or maintain a rate of cost growth that exceeds the target that the
12 entity demonstrates is the best interest of the public;

13 (ii) Increasing access to services in medically underserved areas; or

14 (iii) Rectifying historical and contemporary factors contributing to a lack of health equities or
15 access to services; or

16 (B) The transaction will improve health outcomes for residents of this state; and

17 (b) There is no substantial likelihood of anticompetitive effects from the transaction that out-
18 weigh the benefits of the transaction in increasing or maintaining services to underserved popu-
19 lations.

20 (10) The [authority] **Oregon Department of Health** may suspend a proposed material change
21 transaction if necessary to conduct an examination and complete an analysis of whether the trans-
22 action is consistent with subsection (9) of this section and the criteria adopted by rule under sub-
23 section (2) of this section.

24 (11)(a) A review board convened by the [authority] **department** under subsection (7) of this
25 section must consist of members of the affected community, consumer advocates and health care
26 experts. No more than one-third of the members of the review board may be representatives of in-
27 stitutional health care providers. The [authority] **department** may not appoint to a review board an
28 individual who is employed by an entity that is a party to the transaction that is under review or
29 is employed by a competitor that is of a similar size to an entity that is a party to the transaction.

30 (b) A member of a review board shall file a notice of conflict of interest and the notice shall
31 be made public.

32 (12) The [authority] **department** may request additional information from an entity that is a
33 party to the material change transaction, and the entity shall promptly reply using the form of
34 communication requested by the [authority] **department** and verified by an officer of the entity if
35 required by the [authority] **department**.

36 (13)(a) An entity may not refuse to provide documents or other information requested under
37 subsection (4) or (12) of this section on the grounds that the information is confidential.

38 (b) Material that is privileged or confidential may not be publicly disclosed if:

39 (A) The [authority] **department** determines that disclosure of the material would cause harm to
40 the public;

41 (B) The material may not be disclosed under ORS 192.311 to 192.478; or

42 (C) The material is not subject to disclosure under ORS 705.137.

43 (c) The [authority] **department** shall maintain the confidentiality of all confidential information
44 and documents that are not publicly available that are obtained in relation to a material change
45 transaction and may not disclose the information or documents to any person, including a member

1 of the review board, without the consent of the person who provided the information or document.
2 Information and documents described in this paragraph are exempt from disclosure under ORS
3 192.311 to 192.478.

4 (14) The [authority] **Oregon Department of Health** or the Department of Justice may retain
5 actuaries, accountants or other professionals independent of the [authority] **Oregon Department**
6 **of Health** who are qualified and have expertise in the type of material change transaction under
7 review as necessary to assist the [authority] **Oregon Department of Health** in conducting the
8 analysis of a proposed material change transaction. The [authority] **Oregon Department of Health**
9 or the Department of Justice shall designate the party or parties to the material change transaction
10 that shall bear the reasonable and actual cost of retaining the professionals.

11 (15) A review board may hold up to two public hearings to seek public input and otherwise en-
12 gage the public before making a determination on the proposed transaction. A public hearing must
13 be held in the service area or areas of the health care entities that are parties to the material
14 change transaction. At least 10 days prior to the public hearing, the [authority] **Oregon Depart-**
15 **ment of Health** shall post to the [authority's] **department's** website information about the public
16 hearing and materials related to the material change transaction, including:

17 (a) A summary of the proposed transaction;

18 (b) An explanation of the groups or individuals likely to be impacted by the transaction;

19 (c) Information about services currently provided by the health care entity, commitments by the
20 health care entity to continue such services and any services that will be reduced or eliminated;

21 (d) Details about the hearings and how to submit comments, in a format that is easy to find and
22 easy to read; and

23 (e) Information about potential or perceived conflicts of interest among executives and members
24 of the board of directors of health care entities that are parties to the transaction.

25 (16) The [authority] **Oregon Department of Health** shall post the information described in
26 subsection (15)(a) to (d) of this section to the [authority's] **department's** website in the languages
27 spoken in the area affected by the material change transaction and in a culturally sensitive manner.

28 (17) The [authority] **department** shall provide the information described in subsection (15)(a) to
29 (d) of this section to:

30 (a) At least one newspaper of general circulation in the area affected by the material change
31 transaction;

32 (b) Health facilities in the area affected by the material change transaction for posting by the
33 health facilities; and

34 (c) Local officials in the area affected by the material change transaction.

35 (18) A review board shall make recommendations to the [authority] **department** to approve the
36 material change transaction, disapprove the material change transaction or approve the material
37 change transaction subject to conditions, based on subsection (9) of this section and the criteria
38 adopted by rule under subsection (2) of this section. The [authority] **department** shall issue a pro-
39 posed order and allow the parties and the public a reasonable opportunity to make written ex-
40 ceptions to the proposed order. The [authority] **department** shall consider the parties' and the
41 public's written exceptions and issue a final order setting forth the [authority's] **department's**
42 findings and rationale for adopting or modifying the recommendations of the review board. If the
43 [authority] **department** modifies the recommendations of the review board, the [authority] **depart-**
44 **ment** shall explain the modifications in the final order and the reasons for the modifications. A
45 party to the material change transaction may contest the final order as provided in ORS chapter

1 183.

2 (19) A health care entity that is a party to an approved material change transaction shall notify
3 the [authority] **department** upon the completion of the transaction in the form and manner pre-
4 scribed by the [authority] **department**. One year, two years and five years after the material change
5 transaction is completed, the [authority] **department** shall analyze:

6 (a) The health care entities' compliance with conditions placed on the transaction, if any;

7 (b) The cost trends and cost growth trends of the parties to the transaction; and

8 (c) The impact of the transaction on the health care cost growth target established under ORS
9 442.386.

10 (20) The [authority] **department** shall publish [the authority's] **its** analyses and conclusions un-
11 der subsection (19) of this section and shall incorporate [the authority's] **its** analyses and conclusions
12 under subsection (19) of this section in the report described in ORS 442.386 (6).

13 (21) This section does not impair, modify, limit or supersede the applicability of ORS 65.800 to
14 65.815, 646.605 to 646.652 or 646.705 to 646.805.

15 (22) Whenever it appears to the Director of the Oregon [Health Authority] **Department of**
16 **Health** that any person has committed or is about to commit a violation of this section or any rule
17 or order issued by the [authority] **department** under this section, the director may apply to the
18 Circuit Court for Marion County for an order enjoining the person, and any director, officer, em-
19 ployee or agent of the person, from the violation, and for such other equitable relief as the nature
20 of the case and the interest of the public may require.

21 (23) The remedies provided under this section are in addition to any other remedy, civil or
22 criminal, that may be available under any other provision of law.

23 (24) The [authority] **department** may adopt rules necessary to carry out the provisions of this
24 section.

25 **SECTION 537.** ORS 415.505 is amended to read:

26 415.505. (1) An officer or employee of the Oregon [Health Authority] **Department of Health** who
27 is delegated responsibilities in the enforcement of ORS 415.501 or rules adopted pursuant to ORS
28 415.501 may not:

29 (a) Be a director, officer or employee of or be financially interested in an entity that is a party
30 to a proposed material change transaction except as an enrollee or patient of a health care entity
31 or by reason of rights vested in compensation or benefits related to services performed prior to af-
32 filiation with the [authority] **department**; or

33 (b) Be engaged in any other business or occupation interfering with or inconsistent with the
34 duties of the [authority] **department**.

35 (2) This section does not permit any conduct, affiliation or interest that is otherwise prohibited
36 by public policy.

37 **SECTION 538.** ORS 415.510 is amended to read:

38 415.510. Every four years, the Oregon [Health Authority] **Department of Health** shall commis-
39 sion a study of the impact of health care consolidation in this state. The study must review consol-
40 idation occurring during the previous four-year period and include an analysis of:

41 (1) The impact on costs to consumers for health care either to the benefit or the detriment of
42 consumers; and

43 (2) Any increases or decreases in the quality of care, including:

44 (a) Improvement or reductions in morbidity;

45 (b) Improvement or reductions in the management of population health;

1 (c) Changes to health and patient outcomes, particularly for underserved and uninsured indi-
 2 viduals, recipients of medical assistance and other low-income individuals and individuals living in
 3 rural areas, as measured by nationally recognized measures of the quality of health care, such as
 4 measures used or endorsed by the National Committee for Quality Assurance, the National Quality
 5 Forum, the Physician Consortium for Performance Improvement or the Agency for Healthcare Re-
 6 search and Quality.

7 **SECTION 539.** ORS 415.512 is amended to read:

8 415.512. (1) The Oregon [*Health Authority*] **Department of Health** shall prescribe by rule a fee
 9 to be paid under ORS 415.501 (3), proportionate to the size of the parties to the transaction, suffi-
 10 cient to reimburse the costs of administering ORS 415.501.

11 (2) Moneys received by the [*authority*] **department** under this section shall be deposited to the
 12 Oregon [*Health Authority*] **Department of Health** Fund established in ORS 413.101 to be used for
 13 carrying out ORS 415.501.

14 **SECTION 540.** ORS 415.900 is amended to read:

15 415.900. (1) In addition to any other penalty imposed by law, the Director of the Oregon [*Health*
 16 *Authority*] **Department of Health** may impose a civil penalty, as determined by the director, for a
 17 violation of ORS 413.037 or 415.501. The amount of the civil penalty may not exceed \$10,000 for each
 18 offense. The civil penalty imposed on an individual health professional may not exceed \$1,000 for
 19 each offense.

20 (2) Civil penalties shall be imposed and enforced in accordance with ORS 183.745.

21 (3) Moneys received by the Oregon [*Health Authority*] **Department of Health** under this section
 22 shall be paid to the State Treasury and credited to the General Fund.

23 **SECTION 541.** ORS 416.340 is amended to read:

24 416.340. (1) With respect to any claim against the estate of a deceased person, the Department
 25 of Human Services and the Oregon [*Health Authority*] **Department of Health** may:

26 (a) Secure payment of the claim in whole or in part by the acceptance of assignments,
 27 conveyances, notes, mortgages and other transfers of property or interests therein.

28 (b) Waive the claim to the extent that the Department **of Human Services** or the [*authority*]
 29 **Oregon Department of Health** finds that enforcement would tend to defeat the purpose of the
 30 public assistance or medical assistance laws.

31 (2) To the extent that the need for aid resulted from a crime committed against the recipient,
 32 a claim for recovery of the amount of such aid defeats the purpose of the public assistance or
 33 medical assistance laws.

34 **SECTION 542.** ORS 416.350 is amended to read:

35 416.350. (1) The Department of Human Services or the Oregon [*Health Authority*] **Department**
 36 **of Health** may recover from any person the amounts of medical assistance the Department **of Hu-**
 37 **man Services** or the [*authority*] **Oregon Department of Health** incorrectly paid to or on behalf
 38 of the person.

39 (2) Except as prohibited by ORS 178.380, medical assistance pursuant to ORS chapter 414 paid
 40 to or on behalf of an individual who was 55 years of age or older when the individual received the
 41 assistance, or paid to or on behalf of a person of any age who was a permanently institutionalized
 42 inpatient in a nursing facility, intermediate care facility for persons with intellectual disabilities or
 43 other medical institution, may be recovered from the estate of the individual or from any recipient
 44 of property or other assets held by the individual at the time of death including the estate of the
 45 surviving spouse. Claim for such medical assistance correctly paid to or on behalf of the individual

1 may be established against the estate, but the claim may not be adjusted or recovered until after
2 the death of the surviving spouse, if any, and only at a time when the individual has no surviving
3 child who is under 21 years of age or who is blind or permanently and totally disabled. Transfers
4 of real or personal property by recipients of such aid without adequate consideration are voidable
5 and may be set aside under ORS 411.620 (2).

6 (3) Nothing in this section authorizes the recovery of the amount of any aid from the estate or
7 surviving spouse of a recipient to the extent that the need for aid resulted from a crime committed
8 against the recipient.

9 (4) In any action or proceeding under this section to recover medical assistance paid, it is the
10 legal burden of the person who receives the property or other assets from a medical assistance re-
11 cipient to establish the extent and value of the recipient's legal title or interest in the property or
12 assets in accordance with rules established by the [authority] **Oregon Department of Health**.

13 (5) Amounts recovered under this section do not include the value of benefits paid to or on be-
14 half of a beneficiary under a policy or certificate of qualified long term care insurance as defined
15 in ORS 743.652, that were disregarded in determining eligibility for or the amount of medical as-
16 sistance provided to the beneficiary.

17 (6) As used in this section:

18 (a) "Estate" includes all real and personal property and other assets in which the deceased in-
19 dividual had any legal title or interest at the time of death including assets conveyed to a survivor,
20 heir or assign of the deceased individual through joint tenancy, tenancy in common, survivorship,
21 life estate, living trust or other similar arrangement.

22 (b) "Medical assistance" includes the state's monthly contribution to the federal government to
23 defray the costs of outpatient prescription drug coverage provided to a person who is eligible for
24 Medicare Part D prescription drug coverage and who receives medical assistance.

25 **SECTION 543.** ORS 416.351 is amended to read:

26 416.351. (1) Subject to the requirements of subsection (2) of this section, if 42 U.S.C. 1396p
27 (b)(1)(B) as in effect on January 1, 1995, is repealed without replacement or is declared unconstitu-
28 tional, the Director of the Oregon [Health Authority] **Department of Health** shall limit the recovery
29 of medical assistance paid pursuant to ORS chapter 414 from the estate of an individual or a re-
30 cipient of property or other assets held by an individual at the time of death, including a surviving
31 spouse of the individual, to the recovery of medical assistance payments paid on behalf of the indi-
32 vidual on or after the date that the individual attained 65 years of age.

33 (2) The director shall limit the recovery of medical assistance as described under subsection (1)
34 of this section only if the director determines, after receiving the written opinion of the Attorney
35 General, that the recovery limitation will not violate any federal law in effect on the operative date
36 of the recovery limitation. The director may condition, limit, modify or terminate any recovery lim-
37 itation as the director considers necessary to avoid a violation of federal law.

38 **SECTION 544.** ORS 416.510 is amended to read:

39 416.510. As used in ORS 416.510 to 416.610, unless the context requires otherwise:

40 (1) "Action" means an action, suit or proceeding.

41 (2) "Alternative payment methodology" has the meaning given that term in ORS 414.025.

42 (3) "Applicant" means an applicant for assistance.

43 (4) "Assistance" means moneys paid by the Department of Human Services to persons directly
44 and moneys paid by the Oregon [Health Authority] **Department of Health** or by a prepaid managed
45 care health services organization or a coordinated care organization for services provided under

1 contract pursuant to ORS 414.591 to others for the benefit of such persons.

2 [(5) "Authority" means the Oregon Health Authority.]

3 [(6) (5) "Claim" means a claim of a recipient of assistance for damages for personal injuries
4 against any person or public body, agency or commission other than the State Accident Insurance
5 Fund Corporation or Workers' Compensation Board.

6 [(7) (6) "Compromise" means a compromise between a recipient and any person or public body,
7 agency or commission against whom the recipient has a claim.

8 [(8) (7) "Coordinated care organization" means an organization that meets the criteria adopted
9 by the [authority] **Oregon Department of Health** under ORS 414.572.

10 [(9) (8) "Judgment" means a judgment in any action or proceeding brought by a recipient to
11 enforce the claim of the recipient.

12 [(10) (9) "Prepaid managed care health services organization" has the meaning given that term
13 in ORS 414.025.

14 [(11) (10) "Recipient" means a recipient of assistance.

15 [(12) (11) "Settlement" means a settlement between a recipient and any person or public body,
16 agency or commission against whom the recipient has a claim.

17 **SECTION 545.** ORS 416.530 is amended to read:

18 416.530. (1) If any applicant or recipient makes a claim or, without making a claim, begins an
19 action to enforce such claim, the applicant or recipient, or the attorney for the applicant or the
20 recipient, shall immediately notify the Department of Human Services or the Oregon [Health Au-
21 thority] **Department of Health** and the recipient's coordinated care organization, if the recipient
22 is receiving services from the organization. If an applicant or recipient, or the attorney for the ap-
23 plicant or the recipient, has given notice that the applicant or recipient has made a claim, it shall
24 not be necessary for the applicant or recipient, or the attorney for the applicant or the recipient,
25 to give notice that the applicant or recipient has begun an action to enforce such claim. The no-
26 tification shall include the name and address of each person or public body, agency or commission
27 against whom claim is made or action is brought. If claim is made or action is brought against a
28 corporation, the address given in such notification shall be that of its principal place of business.
29 If the applicant or recipient is a minor, the parents, legal guardian or foster parents of the minor
30 shall give the notification required by this section.

31 (2) The notification required by subsection (1) of this section shall be provided to:

32 (a) The Oregon [Health Authority] **Department of Health** by applicants for or recipients of as-
33 sistance provided by the [authority] **department**; and

34 (b) The Department of Human Services for assistance provided by the department.

35 **SECTION 546.** ORS 416.540 is amended to read:

36 416.540. (1) Except as provided in subsection (2) of this section and in ORS 416.590, the De-
37 partment of Human Services and the Oregon [Health Authority] **Department of Health** shall have
38 a lien upon the amount of any judgment in favor of a recipient or amount payable to the recipient
39 under a settlement or compromise for all assistance received by such recipient from the date of the
40 injury of the recipient to the date of satisfaction of such judgment or payment under such settlement
41 or compromise.

42 (2) The lien does not attach to the amount of any judgment, settlement or compromise to the
43 extent of attorney's fees, costs and expenses incurred by a recipient in securing such judgment,
44 settlement or compromise and to the extent of medical, surgical and hospital expenses incurred by
45 the recipient on account of the personal injuries for which the recipient had a claim.

(3) The [authority] **Oregon Department of Health** may assign the lien described in subsection (1) of this section to a prepaid managed care health services organization or a coordinated care organization for medical costs incurred by a recipient:

(a) During a period for which the [authority] **department** paid a capitation or enrollment fee or a payment using a global payment methodology; and

(b) On account of the personal injury for which the recipient had a claim.

(4) A prepaid managed care health services organization or a coordinated care organization to which the [authority] **department** has assigned a lien shall notify the [authority] **department** no later than 10 days after filing notice of a lien.

(5) For the purposes of ORS 416.510 to 416.610, the [authority] **department** may designate the prepaid managed care health services organization or the coordinated care organization to which a lien is assigned as its designee.

(6) If the [authority] **department** and a prepaid managed care health services organization or a coordinated care organization both have filed a lien, the [authority's] **department's** lien shall be satisfied first.

SECTION 547. ORS 416.550 is amended to read:

416.550. (1) Upon receiving notice under ORS 416.530, to perfect its lien the Department of Human Services or the Oregon [Health Authority] **Department of Health** shall:

(a) File a notice of lien, substantially in the form prescribed in ORS 416.560, with the recording officer of the county in which the person against whom claim is made or action is brought resides. If the claim or action is against a corporation, the notice of lien shall be filed with the recording officer of the county within the state in which such corporation has its principal place of business. If the claim or action is against a public body, agency or commission, the notice of lien shall be filed with the recording officer of the county in which the public body, agency or commission has its main offices; and

(b) Prior to the date of satisfaction of the judgment or payment under the settlement or compromise, send a certified copy of the notice of lien by registered mail or by certified mail with return receipt to each person or public body, agency or commission against whom claim is made or action is brought by the recipient.

(2) Upon the filing of a notice of lien by [the department or the authority] **either department**, the recording officer shall enter the name of the injured person, the approximate date of the injury and the name of the [department or the authority] **Department of Human Services or the Oregon Department of Health** as lienor in the lien docket provided for in ORS 87.575 and shall make an index thereto in the names of the injured persons and the [department or the authority] **Department of Human Services or the Oregon Department of Health**.

SECTION 548. ORS 416.560 is amended to read:

416.560. The form of the notice required by ORS 416.550 (1) shall be substantially as follows:

Notice is hereby given that the _____ has rendered assistance to _____, a person who was injured on or about the ____ day of _____ in the city of _____ and State of _____, and the _____ hereby asserts a lien to the extent provided in ORS 416.510 to 416.610, for the amount of such assistance upon any amount due and owing _____ (name of injured person) under a judgment, settlement or compromise from _____ alleged to have caused such injuries and from any other person or public body, agency

1 or commission liable for the injury or obligated to compensate the injured person on account of such
2 injuries.

3 Department of Human Services/Oregon [*Health Authority*] **Department of Health**

4 by _____,

5 Director of _____ or designee.

6
7 State of Oregon,)

8) ss.

9 County of _____)

10 I, _____, being first duly sworn on oath say: That I am the Director of
11 _____ or designee; that I have read the foregoing notice of lien and know the contents
12 thereof and believe the same to be true.

13
14 Subscribed and sworn to before me this ____ day of _____, _____.

15 _____, Notary Public.

16
17
18 **SECTION 549.** ORS 416.570 is amended to read:

19 416.570. Immediately after a judgment has been rendered in favor of a recipient or a settlement
20 or compromise has been agreed upon, the person or public body, agency or commission bound by
21 such judgment, settlement or compromise shall notify the Department of Human Services or the
22 Oregon [*Health Authority*] **Department of Health**. After such notification the [*department or the*
23 *authority*] **Department of Human Services or the Oregon Department of Health** shall send a
24 statement of the amount of its lien to such person or public body, agency or commission by regis-
25 tered mail or by certified mail with return receipt.

26 **SECTION 550.** ORS 416.580 is amended to read:

27 416.580. (1) After a notice of lien is filed in the manner provided in ORS 416.550 (2), any person
28 or public body, agency or commission who makes any payment to the injured recipient, the heirs,
29 personal representatives or assigns of the recipient, or their attorneys, under a judgment, settlement
30 or compromise without previously having paid to the Department of Human Services or the Oregon
31 [*Health Authority*] **Department of Health** the amount of its lien, shall be liable to the State of
32 Oregon, for the use and benefit of the [*department or the authority*] **Department of Human Services**
33 **or the Oregon Department of Health** for a period of 180 days after the date of such payment for
34 the amount of such payment to the extent that the lien attached thereto under ORS 416.540.

35 (2) Any amount paid to the [*department or the authority*] **Department of Human Services or**
36 **the Oregon Department of Health** in satisfaction of its lien shall be distributed by [*the department*
37 *or the authority*] **either department** to the United States Government and the Public Welfare Ac-
38 count, as their interests may appear.

39 (3) If the recipient is a minor, no payments to [*the department or the authority*] **either depart-**
40 **ment** in satisfaction of its lien and, except to the extent of the fees, costs and expenses specified
41 in ORS 416.540 (2), no payments to the recipient under a judgment, settlement or compromise shall
42 be made until a hearing has taken place and the court has issued its order under ORS 416.590.

43 **SECTION 551.** ORS 416.590 is amended to read:

44 416.590. (1) If the recipient is a minor, after the date on which a judgment in favor of the re-
45 cipient is rendered or settlement or compromise is agreed upon, the guardian of the minor or the

1 conservator of the estate of the minor shall petition the court having probate jurisdiction in the
2 county in which the guardian or conservator was appointed to determine the sum that will be
3 needed for the minor's complete physical rehabilitation. If the guardian or the conservator of the
4 minor's estate fails to petition the court, any other interested person or public body, agency or
5 commission may file the petition. The lien of the Department of Human Services or the Oregon
6 *[Health Authority]* **Department of Health** provided for in ORS 416.510 to 416.610 shall not attach
7 to the amount of the judgment, settlement or compromise to the extent of the sum needed for the
8 rehabilitation. Among other data, the petition shall contain the name and address of each person
9 or public body, agency or commission liable to the minor under the judgment, settlement or com-
10 promise.

11 (2) The court shall conduct a hearing to determine the sum that will be needed by the minor
12 and at least 10 days prior to the date of the hearing, the clerk of the court shall notify the
13 conservator of the minor's estate, the *[department or the authority]* **Department of Human Services**
14 **or the Oregon Department of Health** and the person who filed the petition, if the person is
15 someone other than the guardian or the conservator of the minor's estate, of the date on which the
16 hearing will be held. At the hearing any interested person as well as witnesses for the minor and
17 for the *[department or the authority]* **Department of Human Services or the Oregon Department**
18 **of Health** may testify on the question before the court. Upon reaching a decision, the court shall
19 issue an order setting forth the decision and the clerk of the court shall enter the order in an ap-
20 propriate record book. The clerk shall also send a copy of the order to the guardian or the
21 conservator of the minor's estate, the person who filed the petition if the person is someone other
22 than the guardian or the conservator of the minor's estate, the *[department or the authority]* **De-**
23 **partment of Human Services or the Oregon Department of Health** and to each person or public
24 body, agency or commission liable to the minor under the judgment, settlement or compromise.

25 **SECTION 552.** ORS 416.600 is amended to read:

26 416.600. When the Department of Human Services or the Oregon *[Health Authority]* **Department**
27 **of Health** determines that a recipient will incur additional medical, surgical or hospital expenses
28 or that additional assistance will have to be given to the recipient after the date of satisfaction of
29 judgment or payment under a settlement or compromise, *[the department or the authority]* **either**
30 **department** may release any portion of its lien to the extent of such anticipated expenses and as-
31 sistance.

32 **SECTION 553.** ORS 416.610 is amended to read:

33 416.610. The Department of Human Services, the Oregon *[Health Authority]* **Department of**
34 **Health** or the recipient's coordinated care organization, if the recipient is receiving services from
35 the organization, shall have a cause of action against any recipient who fails to give the notification
36 required by ORS 416.530 for amounts received by the recipient pursuant to a judgment, settlement
37 or compromise to the extent that *[the department, the authority]* **either department** or the coordi-
38 nated care organization could have had a lien against such amounts had such notice been given.

39 **SECTION 554.** ORS 416.990 is amended to read:

40 416.990. Any person who makes, renders, signs or verifies any false or fraudulent statement, or
41 supplies any false or fraudulent information with intent to evade any lawful requirement of the De-
42 partment of Human Services or the Oregon *[Health Authority]* **Department of Health** is guilty of
43 a misdemeanor.

44 **SECTION 555.** ORS 417.346 is amended to read:

45 417.346. Subject to the availability of funds therefor, the Director of Human Services, in con-

1 sultation with the Director of the Oregon [*Health Authority*] **Department of Health**, shall:

2 (1) Identify current programs and potential resources available to families providing care for a
3 family member with a disability or chronic illness.

4 (2) Develop a biennial plan for adequate funding and recommend budgetary priorities for family
5 support services.

6 (3) Develop a biennial cooperative plan for assuring a statewide interagency system of family
7 support services.

8 (4) Adopt rules for family support services that are guided by the goals and principles set forth
9 in ORS 417.340 to 417.348. These rules shall contain a grievance procedure.

10 (5) Make a biennial report to the Legislative Assembly on the state of the family support system,
11 including strengths, deficiencies, cost savings and recommendations. This report shall include a
12 comprehensive statement of the efforts of the Department of Human Services to carry out the poli-
13 cies and principles set forth in this legislation. The report shall include but not be limited to a list
14 of family support services, a summary of costs and the number of clients served.

15 (6) Establish a Family Support Advisory Council whose purpose is to review and comment on
16 plans and services provided or contracted for family support by state agencies and advise the di-
17 rector on the state plans for coordinated family support services.

18 (a) The council shall meet a minimum of four times per year.

19 (b) The membership of the council shall be 51 percent consumers of family support services.

20 (c) The remaining membership shall be composed of representatives of agencies providing family
21 support services and representatives of advocacy groups. One member shall be a representative of
22 the Department of Education.

23 **SECTION 556.** ORS 417.721 is amended to read:

24 417.721. The Oregon [*Health Authority*] **Department of Health**, the Health Plan Quality Metrics
25 Committee and the Early Learning Council shall work collaboratively with coordinated care organ-
26 izations to develop performance metrics for prenatal care, delivery and infant care that align with
27 early learning outcomes.

28 **SECTION 557.** ORS 417.723 is amended to read:

29 417.723. The Oregon [*Health Authority*] **Department of Health** and the Early Learning Council
30 shall establish a grant program to provide funding to support effective and scalable strategies that
31 align statewide early learning systems and health systems for the purpose of improving the devel-
32 opmental outcomes for children from zero through three years of age.

33 **SECTION 558.** ORS 417.728 is amended to read:

34 417.728. (1) The Early Learning Council is responsible for leading cross-sector strategic planning
35 that establishes the goals, objectives and strategies necessary for a statewide early learning system.

36 (2) The purpose of the statewide early learning system is to make progress toward ensuring that:

37 (a) Children enter school ready to learn;

38 (b) Children are raised in families that are healthy, stable and attached; and

39 (c) Early learning is available and provided in a manner that is aligned, coordinated and family
40 centered.

41 (3) The statewide early learning system shall include the following components:

42 (a) A process to identify as early as possible children and families who would benefit from early
43 learning services, including the required use of standardized screening and referral procedures used
44 throughout the statewide early learning system;

45 (b) A plan to support the identified needs of the child and family that coordinates case man-

1 agement personnel and the delivery of services to the child and family; and

2 (c) Services to support children who are zero through six years of age and their families who
3 give their express written consent, including:

4 (A) Screening, assessment and home visiting services pursuant to ORS 417.795;

5 (B) Specialized or targeted home visiting services;

6 (C) Community-based services such as relief nurseries, family support programs and parent ed-
7 ucation programs;

8 (D) Affordable, quality child care, as defined by the Early Learning Council;

9 (E) Preschool and other early education services;

10 (F) Health services for children and pregnant women;

11 (G) Mental health services;

12 (H) Alcohol and drug treatment programs that meet the standards promulgated by the Oregon
13 [*Health Authority*] **Department of Health** pursuant to ORS 430.357;

14 (I) Developmental disability services; and

15 (J) Other state and local services.

16 (4) In establishing the definition of affordable, quality child care under subsection (3)(c)(D) of
17 this section, the Early Learning Council shall consult with child care providers and early childhood
18 educators. The definition established by the council shall support parental choice of child care pro-
19 vider and shall consider differences in settings and services, including but not limited to child care
20 for school-aged children, part-time care, odd-hour and respite care and factors of cultural appropri-
21 ateness and competence.

22 (5) The Early Learning Council shall:

23 (a) Consolidate administrative functions relating to the statewide early learning system, to the
24 extent practicable, including but not limited to training and technical assistance, planning and
25 budgeting.

26 (b) Adopt policies to establish training and technical assistance programs to ensure that per-
27 sonnel have skills in appropriate areas, including screening, family assessment, competency-based
28 home visiting skills, cultural and gender differences and other areas as needed.

29 (c) Identify research-based age-appropriate and culturally and gender appropriate screening and
30 assessment tools that would be used as appropriate in programs and services of the statewide early
31 learning system.

32 (d) Develop a plan for the implementation of a common data system for voluntary early child-
33 hood programs.

34 (e) Coordinate existing and new early childhood programs to provide a range of community-
35 based supports.

36 (f) Establish a common set of quality assurance standards to guide local implementation of all
37 elements of the statewide early learning system, including voluntary universal screening and as-
38 sessment, home visiting, staffing, evaluation and community-based services.

39 (g) Ensure that all plans for voluntary early childhood services are coordinated and consistent
40 with federal and state law, including but not limited to plans for Oregon prekindergarten programs,
41 federal Head Start programs, early childhood special education services, early intervention services
42 and public health services.

43 (h) Identify how the statewide early learning system for children who are zero through six years
44 of age will link with systems of support for older children and their families.

45 (i) During January of each odd-numbered year, report to the Governor and the Legislative As-

1 assembly on the statewide early learning system.

2 (6) The State Board of Education, the Employment Department, the Department of Human Ser-
3 vices and the Oregon [*Health Authority*] **Department of Health** when adopting rules to administer
4 voluntary early childhood programs under their individual authority shall adopt rules:

5 (a) That are consistent with the requirements of the statewide early learning system created
6 under this section; and

7 (b) With the direction of the Early Learning Council.

8 (7) Information gathered in conjunction with the voluntary comprehensive screening and as-
9 sessment of children and their families may be used only for the following purposes:

10 (a) Providing services to children and families who give their express written consent;

11 (b) Providing statistical data that are not personally identifiable;

12 (c) Accomplishing other purposes for which the family has given express written consent; and

13 (d) Meeting the requirements of mandatory state and federal disclosure laws.

14 **SECTION 559.** ORS 417.795 is amended to read:

15 417.795. (1) The Early Learning Division shall establish Healthy Families Oregon programs in
16 all counties of this state as funding becomes available.

17 (2) These programs shall be nonstigmatizing, voluntary and designed to achieve the appropriate
18 early childhood benchmarks and shall:

19 (a) Ensure that express written consent is obtained from the family prior to any release of in-
20 formation that is protected by federal or state law and before the family receives any services;

21 (b) Ensure that services are voluntary and that, if a family chooses not to accept services or
22 ends services, there are no adverse consequences for those decisions;

23 (c) Offer a voluntary comprehensive risk assessment of all children, from zero through three
24 years of age, and their families in coordination with statewide early learning system screening and
25 referral efforts;

26 (d) Ensure that the disclosure of information gathered in conjunction with the voluntary com-
27 prehensive risk assessment of children and their families is limited pursuant to ORS 417.728 (7) to
28 the following purposes:

29 (A) Providing services under the programs to children and families who give their express
30 written consent;

31 (B) Providing statistical data that are not personally identifiable;

32 (C) Accomplishing other purposes for which the family has given express written consent; and

33 (D) Meeting the requirements of mandatory state and federal disclosure laws;

34 (e) Ensure that risk factors used in the risk screen are limited to those risk factors that have
35 been shown by research to be associated with poor outcomes for children and families;

36 (f) Identify, as early as possible, families that would benefit most from the programs;

37 (g) Provide parenting education and support services, including but not limited to community-
38 based home visiting services;

39 (h) Provide other supports, including but not limited to referral to and linking of community and
40 public services for children and families such as mental health services, alcohol and drug treatment
41 programs that meet the standards promulgated by the Oregon [*Health Authority*] **Department of**
42 **Health** under ORS 430.357, child care, food, housing and transportation;

43 (i) Coordinate services for children consistent with other services provided through the Oregon
44 Early Learning System;

45 (j) Integrate data with any common data system for early childhood programs;

- 1 (k) Be included in a statewide independent evaluation to document:
 2 (A) Level of screening and assessment;
 3 (B) Incidence of child abuse and neglect;
 4 (C) Change in parenting skills; and
 5 (D) Rate of child development;
 6 (L) Be included in a statewide training program in the dynamics of the skills needed to provide
 7 early childhood services, such as assessment and home visiting; and
 8 (m) Meet statewide quality assurance and quality improvement standards.
- 9 (3) The Healthy Families Oregon programs, in coordination with statewide home visiting part-
 10 ners, shall:
- 11 (a) Identify existing services and describe and prioritize additional services necessary for a
 12 voluntary home visit system;
 13 (b) Build on existing programs;
 14 (c) Maximize the use of volunteers and other community resources that support all families;
 15 (d) Target, at a minimum, all prenatal families and families with children less than three months
 16 of age and provide services through at least the child's third birthday; and
 17 (e) Ensure that home visiting services provided by local home visiting partners for children and
 18 pregnant women support and are coordinated with local Healthy Families Oregon programs.
- 19 (4) Through a Healthy Families Oregon program, a trained home visitor shall be assigned to
 20 each family assessed as at risk that consents to receive services through the trained home visitor.
 21 The trained home visitor shall conduct home visits and assist the family in gaining access to needed
 22 services.
- 23 (5) The services required by this section shall be provided by hospitals, public or private entities
 24 or organizations, or any combination thereof, capable of providing all or part of the family risk as-
 25 sessment and the follow-up services. In granting a contract, collaborative contracting or requests for
 26 proposals may be used and must include the most effective and consistent service delivery system.
- 27 (6) The family risk assessment and follow-up services for families at risk shall be provided by
 28 trained home visitors organized in teams supervised by a manager.
- 29 (7) Each Healthy Families Oregon program shall adopt disciplinary procedures for trained home
 30 visitors and other employees of the program. The procedures shall provide appropriate disciplinary
 31 actions for trained home visitors and other employees who violate federal or state law or the poli-
 32 cies of the program.
- 33 **SECTION 560.** ORS 417.795, as amended by section 54, chapter 631, Oregon Laws 2021, is
 34 amended to read:
- 35 417.795. (1) The Department of Early Learning and Care shall establish Healthy Families Oregon
 36 programs in all counties of this state as funding becomes available.
- 37 (2) These programs shall be nonstigmatizing, voluntary and designed to achieve the appropriate
 38 early childhood benchmarks and shall:
- 39 (a) Ensure that express written consent is obtained from the family prior to any release of in-
 40 formation that is protected by federal or state law and before the family receives any services;
 41 (b) Ensure that services are voluntary and that, if a family chooses not to accept services or
 42 ends services, there are no adverse consequences for those decisions;
 43 (c) Offer a voluntary comprehensive risk assessment of all children, from zero through three
 44 years of age, and their families in coordination with statewide early learning system screening and
 45 referral efforts;

1 (d) Ensure that the disclosure of information gathered in conjunction with the voluntary com-
2 prehensive risk assessment of children and their families is limited pursuant to ORS 417.728 (7) to
3 the following purposes:

4 (A) Providing services under the programs to children and families who give their express
5 written consent;

6 (B) Providing statistical data that are not personally identifiable;

7 (C) Accomplishing other purposes for which the family has given express written consent; and

8 (D) Meeting the requirements of mandatory state and federal disclosure laws;

9 (e) Ensure that risk factors used in the risk screen are limited to those risk factors that have
10 been shown by research to be associated with poor outcomes for children and families;

11 (f) Identify, as early as possible, families that would benefit most from the programs;

12 (g) Provide parenting education and support services, including but not limited to community-
13 based home visiting services;

14 (h) Provide other supports, including but not limited to referral to and linking of community and
15 public services for children and families such as mental health services, alcohol and drug treatment
16 programs that meet the standards promulgated by the Oregon [*Health Authority*] **Department of**
17 **Health** under ORS 430.357, child care, food, housing and transportation;

18 (i) Coordinate services for children consistent with other services provided through the Oregon
19 Early Learning System;

20 (j) Integrate data with any common data system for early childhood programs;

21 (k) Be included in a statewide independent evaluation to document:

22 (A) Level of screening and assessment;

23 (B) Incidence of child abuse and neglect;

24 (C) Change in parenting skills; and

25 (D) Rate of child development;

26 (L) Be included in a statewide training program in the dynamics of the skills needed to provide
27 early childhood services, such as assessment and home visiting; and

28 (m) Meet statewide quality assurance and quality improvement standards.

29 (3) The Healthy Families Oregon programs, in coordination with statewide home visiting part-
30 ners, shall:

31 (a) Identify existing services and describe and prioritize additional services necessary for a
32 voluntary home visit system;

33 (b) Build on existing programs;

34 (c) Maximize the use of volunteers and other community resources that support all families;

35 (d) Target, at a minimum, all prenatal families and families with children less than three months
36 of age and provide services through at least the child's third birthday; and

37 (e) Ensure that home visiting services provided by local home visiting partners for children and
38 pregnant women support and are coordinated with local Healthy Families Oregon programs.

39 (4) Through a Healthy Families Oregon program, a trained home visitor shall be assigned to
40 each family assessed as at risk that consents to receive services through the trained home visitor.
41 The trained home visitor shall conduct home visits and assist the family in gaining access to needed
42 services.

43 (5) The services required by this section shall be provided by hospitals, public or private entities
44 or organizations, or any combination thereof, capable of providing all or part of the family risk as-
45 sessment and the follow-up services. In granting a contract, collaborative contracting or requests for

1 proposals may be used and must include the most effective and consistent service delivery system.

2 (6) The family risk assessment and follow-up services for families at risk shall be provided by
3 trained home visitors organized in teams supervised by a manager.

4 (7) Each Healthy Families Oregon program shall adopt disciplinary procedures for trained home
5 visitors and other employees of the program. The procedures shall provide appropriate disciplinary
6 actions for trained home visitors and other employees who violate federal or state law or the poli-
7 cies of the program.

8 **SECTION 561.** ORS 417.827 is amended to read:

9 417.827. (1) As used in this section and ORS 417.829:

10 (a) "Early Learning Hub" means any entity designated by regional partners to coordinate early
11 learning services, as determined by rules adopted by the Early Learning Council.

12 (b) "Regional partners" includes counties, cities, school districts, education service districts,
13 community colleges, public universities, private educational institutions, faith-based organizations,
14 nonprofit service providers and tribes.

15 (2) The council shall implement and coordinate a system that coordinates the delivery of early
16 learning services to the communities of this state through the direction of Early Learning Hubs. The
17 system may not include more than 16 Early Learning Hubs.

18 (3) The system implemented and coordinated by the council must ensure that:

19 (a) Providers of early learning services are accountable for outcomes;

20 (b) Services are provided in a cost-efficient manner; and

21 (c) The services provided, and the means by which those services are provided, are focused on
22 the outcomes of the services.

23 (4) The council shall develop and implement a process for requesting proposals from entities to
24 become Early Learning Hubs. Proposals submitted under this subsection must comply with criteria
25 and requirements adopted by the council by rule, including:

26 (a) The entity will be able to coordinate the provision of early learning services to the commu-
27 nity that will be served by the entity. An entity may meet the requirement of this paragraph by
28 submitting evidence that local stakeholders, including but not limited to service providers, parents,
29 community members, county governments, local governments and school districts, have participated
30 in the development of the proposal and will maintain a meaningful role in the Early Learning Hub.

31 (b) The services coordinated by the entity will be in alignment with the services provided by the
32 public schools of the community that will be served by the entity.

33 (c) The entity will be in alignment with, and make advantageous use of, the system of public
34 health care and services available through local health departments and other publicly supported
35 programs delivered through, or in partnership with, counties and coordinated care organizations.

36 (d) The entity will be able to integrate efforts among education providers, providers of health
37 care, providers of human services and providers of other programs and services in the community.

38 (e) The entity will use coordinated and transparent budgeting.

39 (f) The entity will operate in a fiscally sound manner.

40 (g) The entity must have a governing body or community advisory body that:

41 (A) Has the authority to initiate audits, recommend the terms of a contract and provide reports
42 to the public and to the council on the outcomes of the provision of early learning services to the
43 community served by the entity.

44 (B) Has members selected through a transparent process and includes both public and private
45 entities, locally based parents and service recipients, human social service providers, child care

1 providers, health care providers and representatives of local governments from the service area.

2 (h) The entity will collaborate on documentation related to coordinated services with public and
3 private entities that are identified by the council as providers of services that advance the early
4 learning of children.

5 (i) The entity will serve a community that is based on the population and service needs of the
6 community and will demonstrate the ability to improve results for at-risk children, including the
7 ability to identify, evaluate and implement coordinated strategies to ensure that a child is ready to
8 succeed in school.

9 (j) The entity will be able to raise and leverage significant funds from public and private sources
10 and to secure in-kind support to support early learning services coordinated by the entity and op-
11 erate in a fiscally sound manner.

12 (k) The entity meets any other qualifications established by the council.

13 (5) The council may adopt by rule requirements that are in addition to the requirements de-
14 scribed in subsections (3) and (4) of this section that an entity must meet to qualify as an Early
15 Learning Hub. When developing the additional requirements, the council must use a statewide public
16 process of community engagement that is consistent with the requirements of the federal Head Start
17 Act.

18 (6) When determining whether to designate an entity as an Early Learning Hub, the council
19 shall balance the following factors:

20 (a) The entity's ability to engage the community and be involved in the community.

21 (b) The entity's ability to produce outcomes that benefit children.

22 (c) The entity's resourcefulness.

23 (d) The entity's use, or proposed use, of evidence-based practices.

24 (7) The council shall develop metrics for the purpose of providing funding to Early Learning
25 Hubs designated under this section. The metrics must:

26 (a) Focus on community readiness, high capacity development and progress toward tracking
27 child outcomes;

28 (b) Establish a baseline of information for the area to be served by the Early Learning Hub,
29 including information about the inclusion of community partners in the governance structure of the
30 Early Learning Hub, the availability of data on local programs and outcomes and the success in
31 leveraging private, nonprofit and other governmental resources for early learning; and

32 (c) Include child performance metrics.

33 (8) The council may require that, as a condition of receiving funding as a designated Early
34 Learning Hub under this section, the Early Learning Hub provide matching funding. The percentage
35 of matching funding shall be determined by the council and may vary for each fiscal year. Any
36 moneys received by an Early Learning Hub are subject to the restrictions of this section.

37 (9) For any community in this state that is not served by an Early Learning Hub, the council
38 shall coordinate and administer the delivery of early learning services for that community and, to
39 the extent practicable, shall regionalize service administration.

40 (10) The council may alter the lines of the territory served by an Early Learning Hub only to
41 ensure that all children of this state are served by an Early Learning Hub.

42 (11) An entity designated as part of an Early Learning Hub may not use more than 15 percent
43 of the moneys received by the entity from the council to pay administrative costs of the entity.

44 (12) The Department of Human Services or the Oregon *[Health Authority]* **Department of**
45 **Health** may not transfer any authority for determining eligibility for a state or federal program to

1 an Early Learning Hub.

2 **SECTION 562.** ORS 417.827, as amended by section 56, chapter 631, Oregon Laws 2021, is
3 amended to read:

4 417.827. (1) As used in this section and ORS 417.829:

5 (a) “Early Learning Hub” means any entity designated by regional partners to coordinate early
6 learning services, as determined by rules adopted by the Early Learning Council.

7 (b) “Regional partners” includes counties, cities, school districts, education service districts,
8 community colleges, public universities, private educational institutions, faith-based organizations,
9 nonprofit service providers and tribes.

10 (2) The council shall implement and coordinate a system that coordinates the delivery of early
11 learning services to the communities of this state through the direction of Early Learning Hubs. The
12 system may not include more than 16 Early Learning Hubs.

13 (3) The system implemented and coordinated by the council must ensure that:

14 (a) Providers of early learning services are accountable for outcomes;

15 (b) Services are provided in a cost-efficient manner; and

16 (c) The services provided, and the means by which those services are provided, are focused on
17 the outcomes of the services.

18 (4) The council shall develop and implement a process for requesting proposals from entities to
19 become Early Learning Hubs. Proposals submitted under this subsection must comply with criteria
20 and requirements adopted by the council by rule, including:

21 (a) The entity will be able to coordinate the provision of early learning services to the commu-
22 nity that will be served by the entity. An entity may meet the requirement of this paragraph by
23 submitting evidence that local stakeholders, including but not limited to service providers, parents,
24 community members, county governments, local governments and school districts, have participated
25 in the development of the proposal and will maintain a meaningful role in the Early Learning Hub.

26 (b) The services coordinated by the entity will be in alignment with the services provided by the
27 public schools of the community that will be served by the entity.

28 (c) The entity will be in alignment with, and make advantageous use of, the system of public
29 health care and services available through local health departments and other publicly supported
30 programs delivered through, or in partnership with, counties and coordinated care organizations.

31 (d) The entity will be able to integrate efforts among education providers, providers of health
32 care, providers of human services and providers of other programs and services in the community.

33 (e) The entity will use coordinated and transparent budgeting.

34 (f) The entity will operate in a fiscally sound manner.

35 (g) The entity must have a governing body or community advisory body that:

36 (A) Has the authority to initiate audits, recommend the terms of a contract and provide reports
37 to the public and to the council on the outcomes of the provision of early learning services to the
38 community served by the entity.

39 (B) Has members selected through a transparent process and includes both public and private
40 entities, locally based parents and service recipients, human social service providers, child care
41 providers, health care providers and representatives of local governments from the service area.

42 (h) The entity will collaborate on documentation related to coordinated services with public and
43 private entities that are identified by the council as providers of services that advance the early
44 learning of children.

45 (i) The entity will serve a community that is based on the population and service needs of the

1 community and will demonstrate the ability to improve results for at-risk children, including the
2 ability to identify, evaluate and implement coordinated strategies to ensure that a child is ready to
3 succeed in school.

4 (j) The entity will be able to raise and leverage significant funds from public and private sources
5 and to secure in-kind support to support early learning services coordinated by the entity and op-
6 erate in a fiscally sound manner.

7 (k) The entity meets any other qualifications established by the council.

8 (5) The council may adopt by rule requirements that are in addition to the requirements de-
9 scribed in subsections (3) and (4) of this section that an entity must meet to qualify as an Early
10 Learning Hub. When developing the additional requirements, the council must use a statewide public
11 process of community engagement that is consistent with the requirements of the federal Head Start
12 Act.

13 (6) When determining whether to designate an entity as an Early Learning Hub, the council
14 shall balance the following factors:

15 (a) The entity's ability to engage the community and be involved in the community.

16 (b) The entity's ability to produce outcomes that benefit children.

17 (c) The entity's resourcefulness.

18 (d) The entity's use, or proposed use, of evidence-based practices.

19 (7) The council shall develop metrics for the purpose of providing funding to Early Learning
20 Hubs designated under this section. The metrics must:

21 (a) Focus on community readiness, high capacity development and progress toward tracking
22 child outcomes;

23 (b) Establish a baseline of information for the area to be served by the Early Learning Hub,
24 including information about the inclusion of community partners in the governance structure of the
25 Early Learning Hub, the availability of data on local programs and outcomes and the success in
26 leveraging private, nonprofit and other governmental resources for early learning; and

27 (c) Include child performance metrics.

28 (8) The council may require that, as a condition of receiving funding as a designated Early
29 Learning Hub under this section, the Early Learning Hub provide matching funding. The percentage
30 of matching funding shall be determined by the council and may vary for each fiscal year. Any
31 moneys received by an Early Learning Hub are subject to the restrictions of this section.

32 (9) For any community in this state that is not served by an Early Learning Hub, the council
33 shall coordinate and administer the delivery of early learning services for that community and, to
34 the extent practicable, shall regionalize service administration.

35 (10) The council may alter the lines of the territory served by an Early Learning Hub only to
36 ensure that all children of this state are served by an Early Learning Hub and receive adequate
37 early learning services for a community.

38 (11) An entity designated as part of an Early Learning Hub may not use more than 15 percent
39 of the moneys received by the entity from the Department of Early Learning and Care to pay ad-
40 ministrative costs of the entity.

41 (12) The Department of Human Services or the Oregon [*Health Authority*] **Department of**
42 **Health** may not transfer any authority for determining eligibility for a state or federal program to
43 an Early Learning Hub.

44 **SECTION 563.** ORS 418.043 is amended to read:

45 418.043. (1) The members of the Governor's Child Foster Care Advisory Commission must be

1 residents of this state with experience and expertise in the foster care system in this state, including
2 but not limited to:

3 (a) Current or former foster parents and current or former foster children;

4 (b) Family members of individuals described in paragraph (a) of this subsection;

5 (c) Biological parents involved in the foster care system in this state;

6 (d) Representatives of advocacy organizations that advocate regarding issues pertaining to the
7 foster care system in this state;

8 (e) Representatives of public, private, profit and nonprofit agencies, organizations and other en-
9 tities with experience in, interest in and responsibility for the provision of care to children in the
10 foster care system in this state;

11 (f) Members of the Oregon State Bar with expertise in family and juvenile dependency law;

12 (g) Representatives of law enforcement agencies and district attorneys;

13 (h) Former employees of the Department of Human Services, Oregon [*Health Authority*] **De-**
14 **partment of Health** and Department of Justice who were responsible for the administration and
15 oversight of the child welfare and foster care systems in this state, including but not limited to
16 former caseworkers and former court appointed special advocates;

17 (i) Representatives of the Judicial Department; and

18 (j) Representatives of federally recognized Indian tribes in Oregon and organizations serving
19 Native Americans.

20 (2) The members of the commission shall select one of the commission's members to serve as
21 chairperson and another to serve as vice chairperson, for terms and with duties and powers neces-
22 sary for the performance of the functions of the offices as the commission determines.

23 (3) A majority of the members of the commission constitutes a quorum for the transaction of
24 business.

25 (4) The commission shall meet at least once every three months at a time and place determined
26 by the chairperson of the commission. The commission also may meet at other times and places
27 specified by the call of the chairperson or of a majority of the members of the commission.

28 (5) All agencies of state government, as defined in ORS 174.111, are directed to assist the com-
29 mission in the performance of the commission's duties, powers and obligations and, to the extent
30 permitted by laws relating to confidentiality, to furnish information that the members of the com-
31 mission consider necessary in order to further the work of the commission.

32 (6) The Department of Human Services shall provide the commission, including any advisory or
33 technical committees established under ORS 418.046, with any necessary clerical and administrative
34 staff support, including, at a minimum, one full-time equivalent (FTE) policy analyst.

35 **SECTION 564.** ORS 418.044 is amended to read:

36 418.044. (1) The Governor's Child Foster Care Advisory Commission shall advise the Governor,
37 the Director of Human Services, the Director of the Oregon [*Health Authority*] **Department of**
38 **Health** and the Director of the Oregon Youth Authority, and make recommendations for legislation,
39 regarding the foster care system in this state. In addition, the commission shall study and report to
40 the Governor and the directors with respect to the following:

41 (a) Legal and policy issues pertaining to the foster care system in this state;

42 (b) Monitoring accountability in the foster care system by measuring outcomes, including but
43 not limited to the following:

44 (A) Increasing the number of children committed to the custody of the Department of Human
45 Services who are placed with family members, relatives or next of kin;

1 (B) Decreasing the number of placements in, and removals from, substitute care for individual
2 children committed to the custody of the department;

3 (C) Decreasing the length of time children spend in substitute care;

4 (D) Decreasing incidences of abuse, neglect and maltreatment for children in substitute care;

5 (E) Increasing the number of children who receive permanent placements within 24 months of
6 entering substitute care;

7 (F) Decreasing the number of children who, upon becoming ineligible for substitute care, have
8 not achieved independent living status;

9 (G) Increasing the number of children who are placed with adoptive parents within 12 months
10 of termination of the parental rights of a child's biological parents;

11 (H) Reducing demographic disproportionality in substitute care;

12 (I) Increasing the number of families involved in the foster care system receiving services and
13 assistance to make it possible for children in substitute care to safely return home; and

14 (J) Increasing the number of families involved in the foster care system having access to cul-
15 turally relevant services;

16 (c) Necessary and recommended improvements to the internal operations of the department, in-
17 cluding but not limited to the following:

18 (A) Monitoring, licensing and supervision of foster care providers;

19 (B) Caseload management;

20 (C) Procedures for investigation of abuses and deficiencies;

21 (D) Recruitment, training and retention of foster parents; and

22 (E) Quality assurance;

23 (d) Recommendations to improve and expand the availability of foster care and, where applica-
24 ble, to provide alternatives to foster care for children who are in need of care and services;

25 (e) Promotion of responsible statewide advocacy for children in foster care; and

26 (f) Ongoing review of foster care providers in this state and the identification of barriers to the
27 provision of quality care and services to children in the foster care system.

28 (2) In undertaking the commission's responsibilities under subsection (1) of this section, the
29 commission shall consider reports, findings and recommendations that have been or will be issued
30 by legislative and agency task forces, work groups and committees that have undertaken study, re-
31 view or oversight of the foster care system in this state.

32 (3) The commission may adopt rules to carry out the provisions of this section.

33 **SECTION 565.** ORS 418.046 is amended to read:

34 418.046. (1) The Governor's Child Foster Care Advisory Commission may establish any advisory
35 or technical committees the commission considers necessary to aid and advise the commission in the
36 performance of its functions. The committees may be continuing or temporary committees. Persons
37 who are not commission members may be appointed as members to serve on the committees with the
38 approval of the commission.

39 (2) Except as otherwise specifically provided, members of a committee created under this section
40 are not entitled to compensation but, in the discretion of the commission, may be reimbursed from
41 funds available to the commission for actual and necessary travel and other expenses incurred by
42 the members in the performance of official duties in the manner and amount provided in ORS
43 292.495.

44 (3)(a) The commission shall establish a Child Welfare Equity Advisory Committee composed of
45 members of the commission, employees of the Department of Human Services who make decisions

1 regarding the removal of children from their homes, current or former foster parents or foster chil-
2 dren and other child welfare stakeholders. The commission shall appoint members of the committee
3 in such a manner as to ensure representation from all segments of the child foster care system that
4 are affected by the work of the committee, taking into consideration the geographic, racial, ethnic
5 and gender diversity of the populations receiving child welfare services. A majority of the members
6 of the committee must represent populations disproportionately overrepresented in the child welfare
7 system.

8 (b) A member of the committee is entitled to compensation and expenses in the manner and
9 amounts provided for in ORS 292.495. Claims for compensation and expenses incurred in performing
10 the functions of the committee shall be paid out of funds appropriated to the commission for that
11 purpose.

12 (c) A member of the committee shall serve a one-year term, but a member serves at the pleasure
13 of the commission. A member is eligible for reappointment.

14 (d) The committee shall advise the commission on culturally appropriate child welfare services,
15 including best practices for keeping families intact, ongoing child welfare support services and the
16 equitable provision of child welfare services across populations being served by state agencies, in-
17 cluding the department, the Oregon [*Health Authority*] **Department of Health** and the Oregon
18 Youth Authority.

19 (e) The committee shall meet at least once every two months, at times and places fixed by a
20 majority of members of the committee. The Department **of Human Services** shall provide office
21 space and personnel to assist the committee as requested by the commission.

22 (f) The committee shall periodically report to the commission. The reports must include recom-
23 mendations on ways the commission, the Department **of Human Services**, the Oregon [*Health Au-*
24 *thority*] **Department of Health** and the Oregon Youth Authority may execute their duties to ensure
25 equitable treatment of populations receiving child welfare services. The reports may include rec-
26 ommendations for changes to policies, procedures, administrative rules or legislation to ensure that
27 the commission and the Department **of Human Services** are effectively serving:

28 (A) Racial and ethnic minorities;

29 (B) People with disabilities;

30 (C) Lesbian, gay, bisexual, transgender, queer and other minority gender identity communities;
31 and

32 (D) Other historically disproportionately overrepresented communities in the child welfare sys-
33 tem.

34 (g) The commission shall take the committee's recommendations into consideration at the next
35 commission meeting or, if the agenda for the next commission meeting has already been posted at
36 the time the commission receives the committee's recommendations, at the following commission
37 meeting.

38 (h) No later than September 1 of each even-numbered year, the commission shall submit a report,
39 in the manner provided by ORS 192.245, to the interim committees of the Legislative Assembly re-
40 lated to human services. The commission, in its discretion, may submit interim reports. The reports
41 submitted under this paragraph must include information on the activities and recommendations of
42 the committee and information on any actions taken by the commission or the department to im-
43 plement recommendations of the committee.

44 **SECTION 566.** ORS 418.205, as amended by section 15, chapter 90, Oregon Laws 2022, is
45 amended to read:

1 418.205. As used in ORS 418.205 to 418.327, 418.330, 418.470, 418.475, 418.950 to 418.970 and
2 418.992 to 418.998, unless the context requires otherwise:

3 (1) "Child" means an unmarried person under 21 years of age who resides in or receives care
4 or services from a child-caring agency.

5 (2)(a) "Child-caring agency" means:

6 (A) Any private school, private agency, private organization or county program providing:

7 (i) Day treatment for children with emotional disturbances;

8 (ii) Adoption placement services;

9 (iii) Residential care, including but not limited to foster care or residential treatment for chil-
10 dren;

11 (iv) Residential care in combination with academic education and therapeutic care, including but
12 not limited to treatment for emotional, behavioral or mental health disturbances;

13 (v) Outdoor youth programs; or

14 (vi) Other similar care or services for children.

15 (B) Any private organization or person that provides secure transportation services as defined
16 in section 14, chapter 90, Oregon Laws 2022, during any segment of a child's trip to or from a
17 child-caring agency, certified foster home as defined in section 14, chapter 90, Oregon Laws 2022,
18 or developmental disabilities residential facility as defined in section 14, chapter 90, Oregon Laws
19 2022, if the route of the child's trip begins or ends in this state.

20 (b) "Child-caring agency" includes the following:

21 (A) A shelter-care home that is not a foster home subject to ORS 418.625 to 418.645;

22 (B) An independent residence facility as described in ORS 418.475 that meets the standards es-
23 tablished by the Department of Human Services by rule to be considered a child-caring agency;

24 (C) A private residential boarding school;

25 (D) A child-caring facility as defined in ORS 418.950; and

26 (E) A secure nonemergency medical transportation provider, as defined in section 14, chapter
27 90, Oregon Laws 2022.

28 (c) "Child-caring agency" does not include:

29 (A) Residential facilities or foster care homes certified or licensed by the Department of Human
30 Services under ORS 443.400 to 443.455, 443.830 and 443.835 for children receiving developmental
31 disability services;

32 (B) Any private agency or organization facilitating the provision of respite services for parents
33 pursuant to a properly executed power of attorney under ORS 109.056. For purposes of this subpar-
34 agraph, "respite services" means the voluntary assumption of short-term care and control of a minor
35 child without compensation or reimbursement of expenses for the purpose of providing a parent in
36 crisis with relief from the demands of ongoing care of the parent's child;

37 (C) A youth job development organization as defined in ORS 344.415;

38 (D) A shelter-care home that is a foster home subject to ORS 418.625 to 418.645;

39 (E) A foster home subject to ORS 418.625 to 418.645;

40 (F) A facility that exclusively serves individuals 18 years of age and older; or

41 (G) A facility that primarily serves both adults and children but requires that any child must
42 be accompanied at all times by at least one custodial parent or guardian.

43 (3) "Child-caring facility" has the meaning given that term in ORS 418.950.

44 (4)(a) "County program" means any county operated program that provides care or services to
45 children:

1 (A) In the custody of the Department of Human Services or the Oregon Youth Authority; or

2 (B) Under a contract with the Oregon [*Health Authority*] **Department of Health**.

3 (b) “County program” does not include any local juvenile detention facility that receives state
4 services provided and coordinated by the Department of Corrections under ORS 169.070.

5 (5) “Governmental agency” means an executive, legislative or judicial agency, department,
6 board, commission, authority, institution or instrumentality of this state or of a county, municipality
7 or other political subdivision of this state.

8 (6) “Independent residence facility” means a facility as described in ORS 418.475.

9 (7)(a) “Outdoor youth program” means a program that provides, in an outdoor living setting,
10 services to children who have behavioral problems, mental health problems or problems with abuse
11 of alcohol or drugs.

12 (b) “Outdoor youth program” does not include any program, facility or activity:

13 (A) Operated by a governmental entity;

14 (B) Operated or affiliated with the Oregon Youth Corps;

15 (C) Licensed by the Department of Human Services under other authority of the department; or

16 (D) Operated by a youth job development organization as defined in ORS 344.415.

17 (8) “Private” means not owned, operated or administered by any governmental agency or unit.

18 (9) “Private residential boarding school” means either of the following as the context requires:

19 (a) A child-caring agency that is a private school that provides residential care in combination
20 with academic education and therapeutic care, including but not limited to treatment for emotional,
21 behavioral or mental health disturbances; or

22 (b) A private school providing residential care that is primarily engaged in educational work
23 under ORS 418.327.

24 (10) “Proctor foster home” means a foster home certified by a child-caring agency under ORS
25 418.248 that is not subject to ORS 418.625 to 418.645.

26 (11) “Provider of care or services for children” means a person, entity or organization that
27 provides care or services to children, regardless of whether the child is in the custody of the De-
28 partment of Human Services, and that does not otherwise meet the definition of, or requirements for,
29 a child-caring agency. “Provider of care or services for children” includes a proctor foster home
30 certified by a child-caring agency under ORS 418.248.

31 (12) “Qualified residential treatment program” means a program described in ORS 418.323.

32 (13) “Shelter-care home” has the meaning given that term in ORS 418.470.

33 **SECTION 567.** ORS 418.240 is amended to read:

34 418.240. (1) All child-caring agencies shall obtain from the Department of Human Services a li-
35 cense, certificate or other authorization to provide care or services to children under ORS 418.205
36 to 418.327, 418.470, 418.475 or 418.950 to 418.970. The criteria for issuance, renewal, suspension or
37 revocation of, or for placing conditions on, a license, certificate or authorization under this section
38 must:

39 (a) Be set forth in rules adopted by the department;

40 (b) Include the full compliance requirements set forth in subsection (2) of this section; and

41 (c) Include, but are not limited to, the following:

42 (A) The fitness of the child-caring agency.

43 (B) The employment of capable, trained or experienced staff that meet minimum staffing re-
44 quirements.

45 (C) Sufficient financial backing to ensure effective operations.

- 1 (D) The probability of permanence in the child-caring agency.
- 2 (E) The care and services provided to the children served will be in their best interests and that
3 of society.
- 4 (F) That the child-caring agency is or will be in compliance with the standards of care and
5 treatment established in rules adopted by the department.
- 6 (2)(a) The department may not issue or renew a license, certificate or other authorization to a
7 child-caring agency unless the department finds the agency is or will be in full compliance with all
8 of the following:
- 9 (A) The agency ensures child and family rights.
- 10 (B) The agency complies with abuse reporting and investigation requirements.
- 11 (C) The agency engages in and applies appropriate behavior management techniques.
- 12 (D) The agency provides adequate furnishings and personal items for children.
- 13 (E) The agency provides appropriate food services.
- 14 (F) The agency ensures the safety of children.
- 15 (G) The agency utilizes approved procedures and protocols for use of medications for children
16 receiving care or services from the agency.
- 17 (H) The agency or the agency's employees or agents have not engaged in financial mismanage-
18 ment.
- 19 (I) The agency fully and timely corrects violations and maintains standards in accordance with
20 any plan of correction imposed by the department.
- 21 (J) The agency provides access as required under ORS 418.305 to a child or the agency's prem-
22 ises to the department or the department's employees, investigators, court appointed special advo-
23 cates, attorneys for a child or other authorized persons or entities.
- 24 (b) The department may suspend, revoke or place conditions on a license, certificate or author-
25 ization of a child-caring agency if the department finds the agency is not in full compliance with any
26 one or more of the full compliance requirements listed in paragraph (a) of this subsection.
- 27 (c) The department must take immediate steps to suspend or revoke the license, certificate or
28 other authorization of a child-caring agency, if any of the following are found to exist:
- 29 (A) There has been the death of a child as a result of abuse or neglect on the part of the agency
30 or any of the agency's employees or agents.
- 31 (B) There has been sexual or physical abuse or neglect of a child in the agency's care or custody
32 that was known to the agency and the agency did not take immediate steps to report the abuse or
33 neglect and to ensure the child's safety.
- 34 (C) The agency failed to cooperate fully with any local, state or federal regulatory entity's in-
35 vestigation of the agency or the agency's operations or employees.
- 36 (D) The agency failed to provide financial statements as required under ORS 418.255.
- 37 (d) If any of the circumstances described in paragraph (c) of this subsection exists, the depart-
38 ment may immediately place conditions on the license, certificate or authorization of the child-caring
39 agency prior to a hearing if, consistent with ORS 183.430, the department finds there is a serious
40 danger to the public health or safety and sets forth specific reasons for such findings.
- 41 (e) It is grounds to deny issuance or renewal, suspend, revoke or place conditions on a license,
42 certificate or other authorization if the department becomes aware that a child-caring agency, or the
43 owner or operator of the agency, has been found by other state or federal entities to have engaged
44 in financial, civil or criminal misconduct.
- 45 (3)(a) If the Director of Human Services has taken action under subsection (2)(c) of this section

1 to suspend or revoke a license, certificate or other authorization, the notice of intent to suspend or
2 revoke may be rescinded if the director determines that the concerns regarding the health and
3 safety of the children in the child-caring agency's care or custody have been ameliorated and any
4 conditions placed on the license, certificate or other authorization of the child-caring agency have
5 been resolved.

6 (b) Fourteen days before rescinding a notice of intent to suspend or revoke, the Director of
7 Human Services must provide written notice regarding the intent to rescind to the Governor. The
8 notice of intent to rescind is a public record and open for inspection by any person without order
9 of a court. The notice of intent to rescind must include the following information:

10 (A) The circumstances that led to the notice of intent to suspend or revoke;

11 (B) The actions taken by the child-caring agency, the Department of Human Services, the At-
12 torney General, the Oregon Youth Authority and the Oregon [*Health Authority*] **Department of**
13 **Health** in response to the circumstances leading to the notice of intent to suspend or revoke;

14 (C) Any penalties, fees or charges made or levied against the child-caring agency; and

15 (D) A complete description of changes that were made at the child-caring agency and the rea-
16 sons for the determination that the concerns regarding the health and safety of children in the
17 child-caring agency's care or custody have been ameliorated or that any conditions placed on the
18 license, certificate or other authorization of the child-caring agency have been resolved.

19 (c) In making a decision to rescind a notice of intent to suspend or revoke under this subsection,
20 the decision must be based solely on the health and safety of the children served by the child-caring
21 agency. Systemwide capacity of the child welfare system may not be considered as an element of the
22 decision.

23 (d) For three years after a notice of intent to suspend or revoke is rescinded under this sub-
24 section, the child-caring agency must apply for a renewal of the child-caring agency's license, cer-
25 tificate or other authorization on an annual basis.

26 (e) The Department **of Human Services** must provide the following with copies of a notice of
27 intent to rescind within five business days of issuing the notice:

28 (A) The Governor; and

29 (B) The committees of the Legislative Assembly relating to child welfare.

30 (4) The department may immediately place conditions on any license, certificate or authorization
31 issued under this section, including but not limited to placing full or partial restrictions on admis-
32 sion of children, temporary suspension, limitation of operations subject to an intent to revoke and
33 limitation of operations subject to correction of violations as specified in a plan of correction im-
34 posed by the department. The department shall immediately notify any state or governmental agency
35 or unit that has a contract with the child-caring agency to provide care or services to a child, and
36 the governing board, trustees, owners, managers, operators or other appropriate authorities respon-
37 sible for the child-caring agency, of conditions placed by the department on the child-caring agency's
38 license, certificate or authorization under this section.

39 (5) If applicable, an applicant shall submit written proof of compliance with the notification re-
40 quirements in ORS 336.575.

41 (6) The department may not charge a fee for inspections leading to decisions regarding, and is-
42 suance of, licenses, certifications or authorizations under this section, but may impose fees to cover
43 costs of related inspections done for the department by other governmental agencies.

44 (7) Except as provided in subsection (3) of this section, a license, certificate or authorization
45 issued by the department under this section shall be valid for a period of two years, unless sus-

1 pended or revoked sooner by the department. However, the department at any time may require
2 amendments to an existing license, certificate or authorization to accommodate changes in the fac-
3 tors upon which the issuance was based.

4 (8) When a condition exists that seriously endangers or places at risk the health, safety or
5 welfare of a child who is receiving care or services at a child-caring agency:

6 (a) The director shall issue an interim emergency order without notice, or with reasonable no-
7 tice under the circumstances, requiring the agency to correct the conditions and ensure the safety
8 of children in the care of the agency. The interim emergency order shall remain in force until a final
9 order, after a hearing, has been entered in accordance with ORS chapter 183.

10 (b) The director may commence an action to enjoin operation of a child-caring agency:

11 (A) If the agency is being operated without a valid license, certificate or other authorization
12 issued under this section; or

13 (B) If the agency fails to comply with a plan of correction imposed by the department or to
14 correct conditions not in conformity with standards as set out in an order issued under paragraph
15 (a) of this subsection, within the time specified in the order.

16 (9) If the director, the director's designee or the department becomes aware through any means
17 that a child-caring agency, or an owner, operator or employee of a child-caring agency, is the sub-
18 ject of an investigation by another state agency, law enforcement agency or federal agency, the di-
19 rector or director's designee shall take immediate steps to cause an investigation to take place into
20 the circumstances surrounding the investigation and whether there is a threat to a child, or whether
21 a child is at risk, at the child-caring agency. Upon determination of the level of threat or risk to
22 children at the agency, the director shall take appropriate steps to protect and ensure the health,
23 safety and welfare of children as necessary under the circumstances. Failure to comply with the
24 requirements of this subsection constitutes grounds for a charge of official misconduct in the second
25 degree under ORS 162.405.

26 (10) If the Department of Justice or Bureau of Labor and Industries commences an investigation
27 of a child-caring agency or an owner, operator or employee of a child-caring agency, the Department
28 of Justice or Bureau of Labor and Industries shall notify, inform and regularly update the director,
29 the director's designee or such other personnel in the Department of Human Services designated to
30 receive such information regarding the investigation. The director and the department shall imme-
31 diately undertake the responsive action required by subsection (9) of this section upon receiving
32 such notification. Interference with, discouragement of or impediment to the receipt of the notifica-
33 tion, information and updates required under this subsection constitutes official misconduct in the
34 second degree under ORS 162.405.

35 (11) The Department of Human Services shall adopt rules to implement the provisions of this
36 section.

37 **SECTION 568.** ORS 418.322, as amended by section 18, chapter 90, Oregon Laws 2022, is
38 amended to read:

39 418.322. (1) As used in this section:

40 (a) "Congregate care residential setting" means any setting that cares for more than one child
41 or ward and is not a setting described in ORS 418.205 (2)(c)(A), (D), (E) or (F) or (10).

42 (b) "Sex trafficking" means the recruitment, harboring, transportation, provision, obtaining, pa-
43 tronizing or soliciting of a person under 18 years of age for the purpose of a commercial sex act,
44 as defined in ORS 163.266, or the recruitment, harboring, transportation, provision or obtaining of
45 a person over 18 years of age using force, fraud or coercion for the purpose of a commercial sex

1 act, as defined in ORS 163.266.

2 (2) The Department of Human Services may place a child or ward in a congregate care resi-
3 dential setting only if the setting is:

4 (a) A child-caring agency, as defined in ORS 418.205, a hospital, as defined in ORS 442.015, or
5 a rural hospital, as defined in ORS 442.470; and

6 (b) A qualified residential treatment program described in ORS 418.323.

7 (3) Notwithstanding subsection (2) of this section, the department may place a child or ward in
8 a child-caring agency that is not a qualified residential treatment program if:

9 (a) The child-caring agency is providing prenatal, postpartum or parenting supports to the child
10 or ward.

11 (b) The child or ward is placed in an independent residence facility described in ORS 418.475
12 that is licensed by the department as a child-caring agency.

13 (c) The child or ward is, or is at risk of becoming, a victim of sex trafficking and the child-caring
14 agency is providing high-quality residential care and supportive services to the child or ward.

15 (d) The Oregon [*Health Authority*] **Department of Health** has approved the placement as med-
16 ically necessary and the child-caring agency:

17 (A) Is a residential care facility;

18 (B) Is licensed by the [*authority*] **department** and maintains site-specific accreditation from a
19 nationally recognized organization to provide psychiatric treatment to children; and

20 (C) Has an active provider agreement with the Oregon Medicaid program.

21 (e) The child-caring agency is an adolescent residential drug and alcohol treatment program li-
22 censed or certified by the State of Oregon to provide residential care, and the court has approved,
23 or approval is pending for, the placement in the child-caring agency of each child or ward over
24 whom the Department **of Human Services** retains jurisdiction.

25 (f) The placement with the child-caring agency is for the purpose of placing the child or ward
26 in a proctor foster home.

27 (g) The child-caring agency is a residential care facility licensed by the department that provides
28 short-term assessment and stabilization services.

29 (h) The child-caring agency is a shelter-care home, as defined in ORS 418.470, that provides
30 short-term assessment and stabilization services.

31 (i) The child-caring agency is a homeless, runaway or transitional living shelter licensed by the
32 department that provides short-term assessment and stabilization services.

33 (j) The ward is 18 years of age or older and the child-caring agency is a residential treatment
34 facility or a residential home licensed or certified by the department or the Oregon [*Health Au-*
35 *thority*] **Department of Health**.

36 (4) The Department **of Human Services** may not place a child or ward in a residential care
37 facility or shelter-care home described in subsection (3)(g) or (h) of this section:

38 (a) For more than 60 consecutive days or 90 cumulative days in a 12-month period; or

39 (b) If the residential care facility or shelter-care home also serves youths or adjudicated youths
40 served by the county juvenile department or adjudicated youths committed to the custody of the
41 Oregon Youth Authority by the court.

42 (5) The Department **of Human Services** may not place a child or ward in a homeless, runaway
43 or transitional living shelter described in subsection (3)(i) of this section for more than 60 consec-
44 utive or 90 cumulative days in any 12-month period.

45 (6) Calculations of the number of days a child or ward is placed in a shelter-care home under

1 subsection (3)(h) of this section or a homeless, runaway or transitional living shelter under sub-
2 section (3)(i) of this section exclude the days the child or ward is in the shelter-care home or shelter
3 if the child or ward:

4 (a) Accessed the shelter-care home or shelter without the support or direction of the department;
5 and

6 (b) Is homeless or a runaway, as defined by the department by rule.

7 (7)(a) Nothing in this section prohibits the Oregon Youth Authority from placing an adjudicated
8 youth committed to its custody in a placement that is not a qualified residential treatment program.

9 (b) Nothing in this section prohibits the Oregon Youth Authority or a county juvenile depart-
10 ment from placing an adjudicated youth or a youth served by the Oregon Youth Authority or the
11 county juvenile department in shelter care or detention under ORS chapter 419C.

12 **SECTION 569.** ORS 418.324 is amended to read:

13 418.324. (1) The Department of Human Services shall ensure that an independent, qualified in-
14 dividual assesses the strengths and needs of each child or ward the department places in a qualified
15 residential treatment program described in ORS 418.323.

16 (2) The assessment described in this section may occur prior to the child's or ward's placement
17 in the program, but shall occur no later than 30 days following the date of placement.

18 (3) The assessment described in this section must, at a minimum:

19 (a) Assess the strengths and needs of the child or ward using an age-appropriate, evidence-based,
20 validated, functional assessment tool;

21 (b) Determine whether the needs of the child or ward can be met with family members or
22 through placement in a foster family home or, if not, which setting would provide the most effective
23 and appropriate level of care for the child or ward in the least restrictive environment and be con-
24 sistent with the short-term and long-term goals for the child or ward, as specified in the permanency
25 plan for the child or ward; and

26 (c) Develop a list of individualized, specific short-term and long-term mental and behavioral
27 health goals.

28 (4)(a) The qualified individual conducting the assessment shall work in conjunction with the
29 child's or ward's family and permanency team, including:

30 (A) Appropriate biological family members, relatives and fictive kin of the child or ward;

31 (B) Appropriate professionals who are a resource to the family of the child or ward, including
32 teachers and medical or mental health providers who have treated the child or ward;

33 (C) Clergy; or

34 (D) If the child or ward has attained the age of 14 years, individuals selected by the child or
35 ward.

36 (b) The department shall document the following in the child's or ward's case plan:

37 (A) The reasonable and good faith efforts of the department to identify and include all of the
38 individuals identified in paragraph (a) of this subsection on the child's or ward's family and
39 permanency team.

40 (B) Contact information for members of the child's or ward's family and permanency team and
41 for any of the child's or ward's family members or fictive kin who are not part of the child's or
42 ward's family and permanency team.

43 (C) Evidence that meetings of the family and permanency team, including meetings related to
44 the required assessment, are held at a time and place convenient for the child's or ward's family.

45 (D) If reunification is the goal, evidence demonstrating that the parent from whom the child or

1 ward was removed provided input on the members of the family and permanency team.

2 (E) Evidence that the assessment is determined in conjunction with the family and permanency
3 team.

4 (F) If the setting recommended by the qualified individual conducting the assessment is different
5 than the placement preferences of the family and permanency team and of the child or ward, the
6 reasons why the preferences of the team and of the child or ward were not recommended.

7 (5) If the qualified individual conducting the assessment determines the child or ward should not
8 be placed in a foster family home, the qualified individual shall specify in writing the reasons why
9 the needs of the child or ward cannot be met by the family of the child or ward or in a foster family
10 home. A shortage or lack of foster family homes is not a valid reason for not placing a child or ward
11 in a foster family home under this subsection. The qualified individual shall specify in writing why
12 the recommended placement in a qualified residential treatment program is the setting that will
13 provide the child or ward with the most effective and appropriate level of care in the least restric-
14 tive environment and how that placement is consistent with the short-term and long-term goals for
15 the child or ward, as specified in the child's or ward's permanency plan.

16 (6) As used in this section:

17 (a) "Fictive kin" has the meaning given that term by the department by rule.

18 (b) "Qualified individual" means an individual who is:

19 (A) A trained professional or licensed clinician;

20 (B) Not an employee of the department or of the Oregon [*Health Authority*] **Department of**
21 **Health**; and

22 (C) Not connected to, or affiliated with, any placement setting in which children or wards are
23 placed by the Department **of Human Services**.

24 **SECTION 570.** ORS 418.519 is amended to read:

25 418.519. As used in ORS 418.519 to 418.532:

26 (1) "Certified foster home" means a foster home subject to ORS 418.625 to 418.645.

27 (2) "Chemical restraint" means a drug or medication that is administered to a child in care to
28 control behavior or restrict freedom of movement.

29 (3) "Child-caring agency" has the meaning given that term in ORS 418.205.

30 (4) "Child in care" has the meaning given that term in ORS 418.257.

31 (5) "Children's emergency safety intervention specialist" means a qualified mental health pro-
32 fessional licensed to order, monitor and evaluate the use of seclusion and restraint in accredited and
33 certified facilities that provide intensive mental health treatment services to individuals under 21
34 years of age.

35 (6) "Developmental disabilities residential facility" has the meaning given that term in ORS
36 418.257.

37 (7)(a) "Involuntary seclusion" means the confinement of a child in care alone in a room from
38 which the child in care is prevented from leaving by any means.

39 (b) "Involuntary seclusion" does not include age-appropriate discipline, including, but not limited
40 to, time-out if the time-out is in a setting from which the child in care is not prevented from leaving.

41 (8) "Mechanical restraint" means a device used to restrict the movement of a child in care or
42 the movement or normal function of a portion of the body of a child in care.

43 (9) "Proctor foster home" means a foster home certified by a child-caring agency under ORS
44 418.248.

45 (10) "Program" means:

1 (a) A child-caring agency;

2 (b) A proctor foster home; or

3 (c) A developmental disabilities residential facility that is a residential training home or facility
4 licensed under ORS 443.415 to serve children under 18 years of age.

5 (11) "Prone restraint" means a restraint in which a child in care is held face down on the floor.

6 (12) "Reportable injury" means any type of injury to a child in care, including but not limited
7 to rug burns, fractures, sprains, bruising, pain, soft tissue injury, punctures, scratches, concussions,
8 abrasions, dizziness, loss of consciousness, loss of vision, visual disturbance or death.

9 (13) "Restraint" means the physical restriction of a child in care's actions or movements by
10 holding the child in care or using pressure or other means.

11 (14) "Secure adolescent inpatient treatment program" means a child-caring agency that is an
12 intensive treatment services program, as described by the Oregon [*Health Authority*] **Department**
13 **of Health** by rule, that provides inpatient psychiatric stabilization and treatment services to indi-
14 viduals under 21 years of age who require a secure intensive treatment setting.

15 (15) "Secure children's inpatient treatment program" means a child-caring agency that is an in-
16 tensive treatment services program, as described by the [*authority*] **department** by rule, that pro-
17 vides inpatient psychiatric stabilization and treatment services to children under 14 years of age
18 who require a secure intensive treatment setting.

19 (16) "Serious bodily injury" means any significant impairment of the physical condition of an
20 individual, as determined by qualified medical personnel, whether self-inflicted or inflicted by some-
21 one else.

22 (17) "Supine restraint" means a restraint in which a child in care is held face up on the floor.

23 **SECTION 571.** ORS 418.580 is amended to read:

24 418.580. (1) To the extent practicable using available resources, the Department of Human Ser-
25 vices and county partners shall implement Strengthening, Preserving and Reunifying Families pro-
26 grams as described in this section. County partners are encouraged to form collaborations with
27 programs to design, oversee and participate in program development and implementation as appro-
28 priate. The department shall be the lead agency in efforts undertaken pursuant to this section, but
29 all officers, boards, commissions and other agencies of the State of Oregon shall cooperate with the
30 department to accomplish the duties imposed on the department by ORS 418.575 to 418.598 and to
31 allocate services provided by programs as described in this section.

32 (2)(a) The Director of Human Services or the director's designee, the Director of the Oregon
33 [*Health Authority*] **Department of Health** or the director's designee or the Director of the Housing
34 and Community Services Department or the director's designee shall enter into a contract with, and
35 make reasonable payment for services provided by, a program in accordance with ORS 418.575 to
36 418.598, and shall, where necessary, enter into contracts with a lead agency or with county and
37 community entities that have been designated by the county partners to coordinate services pro-
38 vided under this section.

39 (b) A contract entered into under this subsection shall require only those services that are
40 reasonably available in the county or region where the program is or will be providing services.
41 Services may or may not be located in a given county or region.

42 (c) At the election of any director or director's designee, a contract entered into under this
43 subsection may be a performance-based contract.

44 (3) The programs implemented under this section shall provide an array of services. Depending
45 on resources and availability, the services provided may include but are not limited to the following:

1 (a) Front end intervention services that include alcohol and drug treatment providers or mental
2 health providers accompanying [department] caseworkers **from the Department of Human Ser-**
3 **vices** on initial calls and visits in response to allegations or reports of abuse or neglect. County
4 partners shall participate in assessments to determine the appropriateness and level of program
5 services required for a child and the child's family, the creation of safety plans to enable the pro-
6 vision of in-home services if appropriate and the development of family preservation and reunifica-
7 tion plans for presentation to the juvenile court.

8 (b) Residential treatment whereby a member of a child's family with care, custody or control of
9 the child enters a treatment facility accompanied by the child with 24-hour supervision while the
10 child and the member of the child's family engage in family strengthening activities and receive
11 appropriate mental health and addiction treatment support and services.

12 (c) Supervised housing whereby a child and the child's family remain together in program
13 housing while they participate in family strengthening activities, receive mental health and ad-
14 diction support and services and have the appropriate level of supervision to ensure the physical
15 health, care and safety of the child.

16 (d) Family-centered day and outpatient treatment services, either after completion of residential
17 treatment or in lieu of residential treatment, designed specifically for substance-abusing parents of
18 children involved in the child welfare system.

19 (e) Intensive in-home services while the child and family engage in family strengthening activ-
20 ities.

21 (f) Facilitation of regular contact between a child and the child's family, if separation has oc-
22 curred, to facilitate an easier, quicker and more successful transition of the child back into the
23 family home.

24 (g) Case managers who provide child and family supervision, assistance identifying and access-
25 ing needed services, observation and monitoring of parenting behavior, assistance with life skills
26 development and assistance in removing barriers to system independence.

27 (h) Immediate access to supervised drug-free emergency and short-term housing.

28 (i) Access to permanent, drug-free housing with on-site case managers and access to supportive
29 services that increase stability for a child and the child's family.

30 (j) Family finding services to identify extended family members to provide additional support,
31 resources and alternative placement options if necessary.

32 (k) Services of a court appointed special advocate appointed under ORS 419B.112 where avail-
33 able.

34 (L) Other services and interventions as programs evolve, research develops and funding becomes
35 available.

36 (4) The services provided by programs must be culturally competent and include evidence-
37 informed or evidence-based practices.

38 (5) The department shall establish by rule client-focused functional outcome measures for pro-
39 grams implemented under this section.

40 (6) Client-focused functional outcome measures may be used as a basis for funding programs and
41 entering into or renewing contracts with programs.

42 (7) Programs shall develop and implement training and continuing education curricula for per-
43 sons delivering program services and, when adequate funding exists, sponsor the attendance of ser-
44 vice providers at state or national training programs, conferences or other similar events.

45 (8) Programs may seek funds from public and private sources to:

1 (a) Meet match requirements for state or federal grants to support the provision of program
2 services;

3 (b) Implement and operate the training and educational requirements of subsection (7) of this
4 section; and

5 (c) Provide financial resources for the hiring of personnel and the provision of existing or en-
6 hanced program services.

7 (9) The department, in consultation with programs, shall report annually to the Governor and
8 the appropriate interim committees of the Legislative Assembly that address child welfare issues on
9 the progress toward and projected costs of full implementation of ORS 418.575 to 418.598.

10 **SECTION 572.** ORS 418.706 is amended to read:

11 418.706. The State Technical Assistance Team for child fatalities is established in the Oregon
12 [*Health Authority*] **Department of Health**. The purpose of the State Technical Assistance Team is
13 to provide staff support for the statewide interdisciplinary team, as described in ORS 418.748, and,
14 upon request, to provide technical assistance to the child fatality review teams established under
15 ORS 418.785. The duties of the State Technical Assistance Team shall include but are not limited
16 to:

17 (1) Designing, implementing and maintaining an information management system for child
18 fatalities;

19 (2) Providing training, technical assistance and support for identified individuals on county child
20 abuse multidisciplinary teams in accurate data collection and input;

21 (3) Compiling and analyzing data on child fatalities;

22 (4) Using data concerning child deaths to identify strategies for the prevention of child fatalities
23 and serving as a resource center to promote the use of the strategies at the county level; and

24 (5) Upon request of a county child abuse multidisciplinary team, providing technical assistance
25 and consultation services on a variety of issues related to child fatalities including interagency
26 agreements, team building, case review and prevention strategies.

27 **SECTION 573.** ORS 418.726 is amended to read:

28 418.726. (1) There is created a Youth Suicide Intervention and Prevention Advisory Committee
29 to advise the Oregon [*Health Authority*] **Department of Health** on the development and adminis-
30 tration of strategies to address suicide intervention and prevention for children and youth 5 through
31 24 years of age. The Director of the Oregon [*Health Authority*] **Department of Health** shall appoint
32 members of the advisory committee and members shall serve at the pleasure of the director. The
33 [*authority*] **department** shall provide staffing for the advisory committee.

34 (2) The director shall ensure that advisory committee membership reflects the cultural, linguis-
35 tic, geographic and economic diversity of this state. The members of the advisory committee must
36 include, but need not be limited to:

37 (a) Individuals who have survived suicide attempts;

38 (b) Individuals who have lost friends or family members to suicide;

39 (c) Individuals who have not attained 21 years of age;

40 (d) Representatives of state agencies, including but not limited to the Department of Human
41 Services, the Oregon [*Health Authority*] **Department of Health** and the Department of Education,
42 who provide services to individuals who have not attained 21 years of age;

43 (e) Representatives of Oregon Indian tribes;

44 (f) Representatives of colleges and universities;

45 (g) Medical and behavioral treatment providers;

- 1 (h) Representatives of hospitals and health systems;
- 2 (i) Representatives of coordinated care organizations and private insurers;
- 3 (j) Suicide prevention specialists; and
- 4 (k) Representatives of members of the military and their families.

5 (3) Members of the advisory committee other than members employed in full-time public service
 6 may be compensated for their services and may be reimbursed by the [authority] **Oregon Depart-**
 7 **ment of Health** for the member’s actual and necessary expenses incurred in the performance of the
 8 member’s duties. Members of the advisory committee who are employed in full-time public service
 9 may be reimbursed by the member’s employing agency for the member’s actual and necessary ex-
 10 penses incurred in the performance of the member’s duties. Reimbursements under this subsection
 11 are subject to the provisions of ORS 292.210 to 292.288.

12 (4) The advisory committee shall meet no less than once every three months.

13 (5) The advisory committee may recommend potential members for appointment to the advisory
 14 committee.

15 (6) The advisory committee shall consult with the Youth Suicide Intervention and Prevention
 16 Coordinator on updates to the Youth Suicide Intervention and Prevention Plan under ORS 418.733.

17 **SECTION 574.** ORS 418.731 is amended to read:

18 418.731. (1) As used in this section and ORS 418.733:

19 (a) “Youth” means a person 5 through 24 years of age.

20 (b) “Youth suicide” means a completed or attempted suicide by a person 5 through 24 years of
 21 age.

22 (2) There is established a Youth Suicide Intervention and Prevention Coordinator within that
 23 part of the Oregon [Health Authority] **Department of Health** that works with mental health and
 24 addiction issues. The coordinator shall:

25 (a) Facilitate the development of a statewide strategic Youth Suicide Intervention and Pre-
 26 vention Plan to address youth suicide and youth self-inflicted injury, and develop strategies for
 27 intervention with suicidal, depressed and at-risk youth;

28 (b) Improve outreach to special populations of youth that are at risk for suicide and self-inflicted
 29 injury;

30 (c) Identify barriers to accessing intervention services for suicidal, depressed and at-risk youth;
 31 and

32 (d) Provide technical assistance to state and local partners and coordinate interagency efforts
 33 to establish youth suicide and youth self-inflicted injury prevention and intervention strategies.

34 (3) The coordinator shall review data and prepare an annual report to interim and regular
 35 committees of the Legislative Assembly with subject matter jurisdiction over child welfare, mental
 36 health and addiction issues, and to the Oregon [Health Authority] **Department of Health**, regarding:

37 (a) The number of emergency room admissions for completed and attempted youth suicides and
 38 incidents of youth self-inflicted injury;

39 (b) The manner and method of completed and attempted youth suicides and incidents of youth
 40 self-inflicted injury;

41 (c) The counties in which the completed and attempted suicides and self-injury incidents oc-
 42 curred;

43 (d) The number of middle schools and high schools with completed youth suicides among the
 44 student body;

45 (e) The number of completed youth suicides where the youth had previously been admitted to

1 a hospital or emergency room for treatment of attempted youth suicide or self-inflicted injury or had
 2 been the subject of a request for intervention services related to depression, suicidal ideation or
 3 self-injury within the prior 12 months;

4 (f) Demographic information regarding youth who completed or attempted youth suicide or who
 5 had self-injury incidents, including but not limited to:

6 (A) Age;

7 (B) Gender or gender identity;

8 (C) Race;

9 (D) Primary spoken language;

10 (E) Sexual orientation;

11 (F) The existence of any physical, mental, intellectual or emotional disability; and

12 (G) Foster care status; and

13 (g) Recommendations for administrative and legislative changes to address service gaps in youth
 14 suicide prevention, intervention and post-suicide activities, developed in consultation with the Youth
 15 Suicide Intervention and Prevention Advisory Committee established in ORS 418.726.

16 **SECTION 575.** ORS 418.735 is amended to read:

17 418.735. (1) As used in this section:

18 (a) "Cause of death" has the meaning given that term in ORS 146.003.

19 (b) "Local mental health authority" has the meaning given that term in ORS 430.630.

20 (c) "Manner of death" has the meaning given that term in ORS 146.003.

21 (d) "Third-party notification" means notification from a source other than a patient in a program
 22 administered by the local mental health authority during the patient's treatment.

23 (e) "Urban Indian health program" means an urban Indian health program in this state that is
 24 operated by an urban Indian organization pursuant to 25 U.S.C. 1651 et seq.

25 (2)(a) The Oregon [*Health Authority*] **Department of Health** shall develop a plan for communi-
 26 cation among local mental health authorities and local systems to improve notifications and
 27 information-sharing when an individual who is 24 years of age or younger dies and the manner of
 28 death is suspected to be suicide. The plan must address community suicide response and post-
 29 intervention efforts to address loss and the potential of contagion risk. The Oregon [*Health*
 30 *Authority*] **Department of Health** shall collaborate with the following entities in developing and
 31 implementing the plan:

32 (A) Public school districts;

33 (B) Public universities listed in ORS 352.002;

34 (C) Private post-secondary institutions of education;

35 (D) Any facility that provides services or resources to runaway or homeless youth;

36 (E) Federally recognized Oregon tribes; and

37 (F) Urban Indian health programs.

38 (b) The Oregon [*Health Authority*] **Department of Health** shall develop a statewide post-
 39 intervention protocol to enable local mental health authorities to deploy uniform and effective
 40 post-intervention efforts. In developing the post-intervention protocol, the [*authority*] **department**
 41 shall take into consideration the Youth Suicide Intervention and Prevention Plan developed by the
 42 Youth Suicide Intervention and Prevention Coordinator under ORS 418.731 and 418.733 and may
 43 consult with local mental health authorities, federally recognized Oregon tribes, urban Indian health
 44 programs, youth-serving entities, individuals with lived experience in suicide ideation, attempts and
 45 loss, medical examiners, colleges and universities and national experts in suicide post-intervention.

1 (3) No later than 72 hours after receiving a third-party notification, including notice under ORS
2 146.100, of the death of an individual described in subsection (2)(a) of this section, if the deceased
3 individual was not domiciled in the county where the death occurred, the local mental health au-
4 thority shall provide notice of the death to the local mental health authority in the county where
5 the deceased individual was domiciled.

6 (4)(a) The local mental health authority in the county where an individual described in sub-
7 section (2)(a) of this section was domiciled may notify the local mental health authority in any other
8 county in which the deceased individual had significant contacts, as described by the Oregon [*Health*
9 *Authority*] **Department of Health** by rule.

10 (b) The local mental health authority in the county where an individual described in subsection
11 (2)(a) of this section was domiciled shall provide notice of the death to the following local systems
12 that had contact with the deceased individual:

13 (A) The principal or superintendent of relevant area public schools, the principal of relevant
14 area private schools or any public university listed in ORS 352.002 or private post-secondary insti-
15 tution of education the individual was attending at the time of the individual's death;

16 (B) The juvenile department;

17 (C) Community developmental disabilities programs;

18 (D) Local child welfare agencies;

19 (E) Local substance use disorder programs;

20 (F) Urban Indian health programs; or

21 (G) Any other organization or person identified by the local mental health authority as neces-
22 sary to receive notice to preserve the public health.

23 (c) No later than seven days after receiving notice of the death of an individual described in
24 subsection (2)(a) of this section, each local mental health authority in a county in which the de-
25 ceased individual had significant contacts, as described by the Oregon [*Health Authority*] **Depart-**
26 **ment of Health** by rule, and any public school district, public university listed in ORS 352.002 or
27 private post-secondary institution of education the individual was attending at the time of the
28 individual's death shall inform the Oregon [*Health Authority*] **Department of Health**, in a manner
29 and in a format determined by the [*authority*] **department**, of activities implemented to support local
30 entities and individuals affected by the suicide and to prevent the risk of contagion. The
31 [*authority*] **department** shall serve as a resource to the local mental health authorities and any
32 public school district, public university listed in ORS 352.002 or private post-secondary institution
33 of education the individual was attending at the time of the individual's death as needed by the
34 community.

35 (5) The notifications described in subsections (3) and (4) of this section must contain the fol-
36 lowing information regarding the deceased individual to enable the local systems to deploy effective
37 post-intervention efforts:

38 (a) The name of the deceased individual;

39 (b) The birth date of the deceased individual;

40 (c) The date of death of the deceased individual;

41 (d) The suspected manner of death;

42 (e) A description of the cause of death; and

43 (f) Any other information that the local mental health authority determines is necessary to
44 preserve the public health and that is not otherwise protected from public disclosure by state or
45 federal law.

1 **SECTION 576.** ORS 418.748 is amended to read:

2 418.748. (1) The Oregon [*Health Authority*] **Department of Health**, in collaboration with the
3 Department of Human Services, shall form a statewide interdisciplinary team to meet twice a year
4 to review child fatality cases where child abuse or suicide is suspected, identify trends, make rec-
5 ommendations and take actions involving statewide issues.

6 (2) The statewide interdisciplinary team may recommend specific cases to a child fatality review
7 team for its review under ORS 418.785.

8 (3) The statewide interdisciplinary team shall provide recommendations to child fatality review
9 teams in the development of protocols. The recommendations shall address investigation, training,
10 case selection and fatality review of child deaths, including but not limited to child abuse and youth
11 suicide cases.

12 **SECTION 577.** ORS 418.751 is amended to read:

13 418.751. (1) The Department of Human Services, as provided in ORS 418.702, and the Department
14 of Justice shall ensure that training and education are provided for persons, other than law
15 enforcement officers, who are required to investigate allegations of child abuse.

16 (2)(a) The Department of Human Services shall provide trauma-informed training for employees
17 within the department who are responsible for licensing, certifying or otherwise authorizing child-
18 caring agencies and foster homes and for employees who investigate such agencies and homes. The
19 training provided under this subsection must include the following:

20 (A) Interview models and practices that are informed by policy, research and practice guidelines,
21 with an emphasis on avoiding retraumatization by interview;

22 (B) Recognizing characteristic signs and symptoms of child traumatic stress in children of dif-
23 ferent developmental ages and cultural backgrounds;

24 (C) The impact of trauma on a child's safety, permanency and well-being;

25 (D) Using and administering trauma-informed assessment tools, instruments and practice strate-
26 gies;

27 (E) Collection of information on a child's trauma history;

28 (F) Techniques that promote children's recovery and resiliency; and

29 (G) Methods for improving placement stability by reducing the number of placements, shortening
30 length of stays in care and reducing the number of placement moves.

31 (b) Subject to the availability of funds, the Director of Human Services may extend trauma-
32 informed training to other persons in the child welfare system including caseworkers, foster parents,
33 parents, medical examiners and educators.

34 (3) The Department of Human Services shall work to develop a written set of guidelines for
35 trauma-informed practices for department employees who work with programs for children that can
36 be shared with other entities, including but not limited to the Oregon [*Health Authority*] **Depart-**
37 **ment of Health**, the Oregon Youth Authority and the Board on Public Safety Standards and
38 Training.

39 (4) The Department of Human Services and the Department of Justice shall work with the Board
40 on Public Safety Standards and Training to ensure that the training that is offered to persons under
41 subsection (1) of this section and ORS 418.702 is coordinated with the training given to law
42 enforcement officers.

43 **SECTION 578.** ORS 418.813 is amended to read:

44 418.813. (1) Subject to subsection (2)(b) of this section, each Critical Incident Review Team as-
45 signed under ORS 418.811 shall submit a detailed, written final report to the Department of Human

1 Services no later than the 100th day following the date the department assigned the team.

2 (2)(a) Prior to publishing a final report under this section, the department shall take into con-
3 sideration the following:

4 (A) Whether publication of the report is likely to compromise an ongoing investigation of a law
5 enforcement agency, after the team has communicated with and obtained agreement of appropriate
6 law enforcement agency representatives and the district attorney;

7 (B) Whether the report can be modified so as to permit publication of the report without com-
8 promising a law enforcement agency investigation; and

9 (C) Whether, as determined by the team with the advice and consultation of the Director of
10 Human Services, the public interest outweighs the potential consequences to a law enforcement
11 agency investigation as provided in ORS 192.345 (3).

12 (b) The director may extend the deadline for publication of the final report if the director de-
13 termines that the report, even if modified, will compromise a law enforcement agency investigation
14 and the public interest does not outweigh the potential consequences.

15 (3) Each final report must include, to the extent determined, at a minimum:

16 (a) A description of the critical incident.

17 (b) The date of the critical incident.

18 (c) The date the department first became aware of the fatality.

19 (d) The date the department or a law enforcement agency caused an investigation to be made
20 under ORS 419B.020 to determine the nature and cause of the fatality.

21 (e) The date the findings in the case were entered under ORS 419B.026.

22 (f) The date the department assigned the team.

23 (g) The dates of, and number of members in attendance at, each meeting of the team.

24 (h) Whether the director appointed members of the public to the team.

25 (i) The date the team submitted the final report to the department.

26 (j) A description of all department contacts with the deceased child regarding the critical inci-
27 dent, including contacts with the deceased child's siblings or the deceased child's parents, foster
28 parents or other caretakers. The description of the department's contacts under this paragraph must
29 include a description of any relevant prior reports of abuse the department received involving the
30 individuals identified in this paragraph. The description of relevant prior reports of abuse must in-
31 clude:

32 (A) A summary of the specific nature of any allegations of abuse;

33 (B) A summary of the assessment or investigation activities related to any allegations of abuse;
34 and

35 (C) The disposition of the reports, including whether the reports were assigned for assessment
36 or investigation.

37 (k) A description of any concerns the team has regarding actions taken or not taken by the
38 department or law enforcement agencies in response to the critical incident or to the events that
39 led to the critical incident.

40 (L) Any recommendations for improvements in the administration and oversight of the child
41 welfare system that are specific to the critical incident and any historical information reviewed by
42 the team.

43 (4) A final report under this section may include the team's recommendations regarding training
44 and intervention to support the department personnel involved in responding to critical incidents.

45 (5) Each final report shall be written in a manner that respects the dignity of the child, the

1 child's family and those involved in the critical incident case. Details about individuals involved in
 2 the case may not be included in the report unless the details are relevant to:

3 (a) The history of alleged abuse and neglect of the deceased child and the history of relevant
 4 alleged abuse and neglect of other children in the deceased child's home at the time of the critical
 5 incident and the deceased child's siblings.

6 (b) The exposure of the deceased child or any other children in the deceased child's home at the
 7 time of the critical incident to domestic violence or substance abuse.

8 (c) The history of the department's involvement with the family.

9 (d) The goal of constructively informing public policy related to child welfare, which may in-
 10 clude public policies related to health care coordination, public health, suicide prevention, mental
 11 health and addiction services, poverty, law enforcement, chronic neglect, prevention services or
 12 other issues that affect the safety and well-being of Oregon families.

13 (6) A final report may not include the names of any person assigned to the team or any per-
 14 sonally identifiable information regarding any person involved in the critical incident case, including
 15 but not limited to employees of the department, the Oregon *[Health Authority]* **Department of**
 16 **Health** or law enforcement.

17 (7) Any statements contained in a final report or document created solely for the critical inci-
 18 dent review process that are or may be construed as an admission of error, liability or violation of
 19 law, policy or practice are not admissible as evidence in any civil or administrative proceeding. This
 20 restriction does not apply to any document that existed prior to its use and consideration in a
 21 critical incident review or that is created independently of the critical incident review process.

22 **SECTION 579.** ORS 418.978 is amended to read:

23 418.978. (1) A commission known as the System of Care Advisory Council is established.

24 (2) The council consists of 25 members appointed as follows:

25 (a) The Chief Justice of the Supreme Court shall appoint one representative from the Judicial
 26 Department.

27 (b) The Governor shall appoint:

28 (A) Two members who are representatives of the Department of Human Services with extensive
 29 knowledge of systems of care, one of whom must have direct experience with intellectual and de-
 30 velopmental disabilities programs.

31 (B) One member who is a representative of the Oregon Youth Authority with extensive knowl-
 32 edge of systems of care.

33 (C) One member who is a representative of the Oregon *[Health Authority]* **Department of**
 34 **Health** with extensive knowledge of systems of care.

35 (D) One member who is a representative of the Department of Education.

36 (E) Two members who are representatives of coordinated care organizations meeting the criteria
 37 adopted by the Oregon *[Health Authority]* **Department of Health** under ORS 414.572, at least one
 38 of which must provide services to rural communities.

39 (F) One psychiatrist, one psychologist and one pediatric physician, each of whom must have
 40 clinical experience with youth.

41 (G) One member who is a representative of an entity that offers commercial insurance.

42 (H) Three members who are representatives of agencies that provide different services and
 43 supports to youth and families of youth.

44 (I) One member who is a representative of organizations that advocate for youth.

45 (J) One member who is a representative of organizations that advocate for families of youth.

1 (K) Two members of the public, each of whom are family members of:

2 (i) Persons with intellectual or developmental disabilities or mental illness; or

3 (ii) Persons who are currently or were previously in the foster care system or the youth criminal
4 justice system.

5 (L) Two members of the public who are no more than 25 years of age and who:

6 (i) Are persons with intellectual or developmental disabilities or mental illness; or

7 (ii) Are currently or were previously a ward, youth or adjudicated youth, as those terms are
8 defined in ORS 419A.004.

9 (M) One member who is a county juvenile department director.

10 (N) One member who is a county mental health program director.

11 (O) One member who is a member of a federally recognized Indian tribe in this state or a
12 designee of the Indian tribe.

13 (P) One member who is a representative of Oregon's federally mandated disability protection and
14 advocacy agency.

15 (3) The term of office of each member of the council is four years, but a member serves at the
16 pleasure of the appointing authority. Before the expiration of the term of a member, a successor
17 shall be appointed whose term begins on January 2 next following. A member is eligible for reap-
18 pointment to one additional term. If there is a vacancy for any cause, the appointing authority shall
19 make an appointment to become immediately effective for the unexpired term.

20 (4)(a) Members of the council who are not state employees are not entitled to compensation or
21 reimbursement for expenses and serve as volunteers on the council.

22 (b) Notwithstanding paragraph (a) of this subsection, members of the council described in sub-
23 section (2)(b)(K) and (L) of this section may be reimbursed for travel and other reasonable expenses
24 associated with serving on the council.

25 (5) Members of the council who are state employees carrying out their state employment func-
26 tions are entitled to compensation and reimbursement by their employing agencies for actual and
27 necessary travel and other expenses incurred by them in the performance of their official duties as
28 members of the council.

29 (6) The Governor shall appoint one of the members as chairperson, to serve at the pleasure of
30 the Governor. The members of the council shall elect from among themselves a vice chairperson
31 who shall preside over meetings and exercise the functions of the chairperson during the absence
32 or disability of the chairperson. The chairperson and the vice chairperson shall execute the duties
33 determined by the council to be necessary.

34 (7) The council shall appoint an executive director who shall be in the exempt service and who
35 shall be responsible for the performance of duties assigned by the council. Subject to the State
36 Personnel Relations Law, the executive director may employ appropriate staff to carry out the du-
37 ties assigned by the council.

38 (8) The council shall meet at least four times per year at a place, day and hour determined by
39 the council.

40 (9) A majority of the members of the council constitutes a quorum for the transaction of busi-
41 ness.

42 **SECTION 580.** ORS 418.979 is amended to read:

43 418.979. (1) The purpose of the System of Care Advisory Council is to improve the effectiveness
44 and efficacy of state and local systems of care that provide services to youth by providing a cen-
45 tralized and impartial forum for statewide policy development and planning.

1 (2) The primary duty of the council is to develop and maintain a state system of care policy and
 2 a comprehensive, long-range plan for a coordinated state system of care that encompasses public
 3 health, health systems, child welfare, education, juvenile justice and services and supports for men-
 4 tal and behavioral health and people with intellectual or developmental disabilities. The plan must
 5 include, but need not be limited to, recommendations regarding:

6 (a) Capacity, utilization and types of state and local systems of care and services and supports;

7 (b) Implementation of in-home behavioral health services, crisis and transition services,
 8 therapeutic foster care, in-home family support services and the integration of those services with
 9 existing programs of residential services for individuals with behavioral health needs and intellec-
 10 tual developmental disabilities;

11 (c) Appropriate use of existing systems of care and services and supports;

12 (d) Whether additional services and supports are necessary to address gaps in coverage;

13 (e) Methods for assessing the effectiveness of systems of care and services and supports in re-
 14 ducing juvenile dependency or delinquency;

15 (f) Methods of reducing risk of future juvenile dependency or delinquency;

16 (g) The effective utilization of the local system of care governance structure;

17 (h) Guidelines for partner agency core values and guiding principles; and

18 (i) Guidelines that ensure cultural competence in the provision of services and supports by:

19 (A) Implementing uniform standards to allow local system of care teams to describe the cul-
 20 turally responsive services and supports available in a system of care.

21 (B) Providing youth and families with understandable and effective system of care services in a
 22 manner compatible with their disabilities, cultural beliefs and practices, literacy skills and language.

23 (C) Developing and implementing a process to review practices accepted by diverse communities.

24 (D) Identifying ways to continually improve culturally competent system of care services and
 25 implementing a statewide system of care that reflects culturally competent practices.

26 (3) Other duties of the council are to:

27 (a) Conduct joint studies by agreement with other state agencies, boards or commissions on any
 28 matter within the jurisdiction of the council;

29 (b) Provide oversight of the implementation of the services described in subsection (2)(b) of this
 30 section by the Oregon [*Health Authority*] **Department of Health**, the Oregon Youth Authority and
 31 the Department of Human Services and to provide periodic updates on the agencies' implementation
 32 to the Legislative Assembly;

33 (c) Provide recommendations to the Director of the Oregon [*Health Authority*] **Department of**
 34 **Health**, the Director of the Oregon Youth Authority and the Director of Human Services as neces-
 35 sary for the agencies to maintain and strengthen the systems of care;

36 (d) Make recommendations to the Director of the Oregon [*Health Authority*] **Department of**
 37 **Health**, the Director of the Oregon Youth Authority and the Director of Human Services to reduce
 38 barriers to implementation of systems of care;

39 (e) Continually monitor and update the Children's System Data Dashboard described in ORS
 40 418.981, with a specific focus on the number of youth placed in hotels, out-of-state placements,
 41 emergency department boarding, congregate care facilities, shelter care or Oregon Youth Authority
 42 custody; and

43 (f) Award grants from funds appropriated by the Legislative Assembly to the council or from
 44 funds otherwise available from any other source, for the purpose of supporting local system of care
 45 governance and for carrying out the recommendations in the council's plan developed under sub-

1 section (2) of this section.

2 (4)(a) On or before January 2 of each even-numbered year, the council shall update its plan un-
3 der subsection (2) of this section and submit the plan to an interim committee of the Legislative
4 Assembly related to youth, and to the Governor.

5 (b) On or before September 15 of each year, the council shall submit a report in the manner
6 provided in ORS 192.245 to an interim committee of the Legislative Assembly related to youth, and
7 to the Governor, describing how the council is meeting its goals and any remaining barriers to ac-
8 cess to services and supports. The report may include recommendations for legislation, including
9 recommendations for changes to the council structure, composition and operating processes.

10 (c) On or before December 31 of each odd-numbered year, the council, the Department of Human
11 Services and the Oregon [*Health Authority*] **Department of Health** shall submit a joint report in
12 the manner described in ORS 192.245 to an interim committee of the Legislative Assembly related
13 to youth, describing moneys appropriated to or otherwise made available to the [*department, the*
14 *authority*] **Department of Human Services, the Oregon Department of Health** or the council in
15 the preceding biennium for the purpose of providing, or providing access to, the services and sup-
16 ports described in subsection (2)(b) of this section. The report must include an accounting of the
17 expenditures made by the [*department, the authority*] **Department of Human Services, the Oregon**
18 **Department of Health** and the council and of any moneys remaining unspent at the close of the
19 biennium.

20 (5) The council may:

21 (a) Apply for and receive gifts and grants from any public or private source.

22 (b) Submit proposals for legislative measures at the time and in the manner prescribed in ORS
23 171.130 and 171.133.

24 (c) Adopt rules to carry out the provisions of this section.

25 (6) The council shall submit an agency request budget at the time and in the manner prescribed
26 under ORS 291.208.

27 (7)(a) All agencies of state government are directed to assist the council in the performance of
28 the duties of the council and, to the extent permitted by laws relating to confidentiality, to furnish
29 information and advice that the members of the council consider necessary to perform the duties
30 of the council.

31 (b) At the council's request, a participating state agency shall provide the council with the
32 agency's proposed budget form, prior to the agency's submission of the form to the Oregon Depart-
33 ment of Administrative Services under ORS 291.208, for the council's review. The council may make
34 recommendations to the agency or, if appropriate, the department regarding the agency's proposed
35 expenditures for services and supports necessary to implement the council's policy recommendations
36 under this section.

37 (8) The council and participating state agencies shall, where applicable, enter into interagency
38 agreements to:

39 (a) Provide staff and resources to assist the council in carrying out the council's duties;

40 (b) Share computer systems and technologies, to the extent allowed by law;

41 (c) Collect and analyze data related to the state system of care and the performance of the
42 council's duties; or

43 (d) Investigate the effectiveness of the council's proposals and recommendations under this sec-
44 tion.

45 (9) Moneys that are appropriated to or otherwise made available to the council or the Oregon

1 *[Health Authority]* **Department of Health** for the purpose of supporting the duties of the council
2 may not be expended except as directed by the council.

3 **SECTION 581.** ORS 418.981 is amended to read:

4 418.981. (1) The System of Care Advisory Council shall maintain the Children's System Data
5 Dashboard, which must include, at a minimum, the following local and statewide data:

6 (a) The number of children under 21 years of age, wards, youths and adjudicated youths being
7 served by the Oregon Youth Authority, the Oregon *[Health Authority]* **Department of Health** and
8 the Department of Human Services;

9 (b) The number of children, wards, youths and adjudicated youths identified in this section who
10 are currently living in each of the following situations:

11 (A) At home;

12 (B) In substitute care; or

13 (C) In specific placement;

14 (c) The number of children, wards, youths and adjudicated youths identified in this section who
15 were previously identified as being in danger of removal but who have been able to remain in their
16 homes;

17 (d) The number of children, wards, youths and adjudicated youths identified in this section who
18 are living in hotels, out-of-state placements, congregate care facilities, shelter care or emergency
19 department boarding;

20 (e) The length of time the children, wards, youths and adjudicated youths identified in this sec-
21 tion have been waiting to access services or appropriate placements; and

22 (f) Outcomes of services that are provided to children, wards, youths and adjudicated youths by
23 the Oregon Youth Authority, the Oregon *[Health Authority]* **Department of Health** and the De-
24 partment of Human Services.

25 (2) Notwithstanding ORS 418.976, as used in this section, the terms "wards," "youth" and "ad-
26 judicated youths" have the meanings given those terms in ORS 419A.004.

27 (3) The System of Care Advisory Council may adopt rules to carry out the provisions of this
28 section.

29 **SECTION 582.** ORS 418.983 is amended to read:

30 418.983. (1) The System of Care Account is established in the State Treasury, separate and dis-
31 tinct from the General Fund. All moneys deposited in the account are continuously appropriated to
32 the Oregon *[Health Authority]* **Department of Health** for the purpose of supporting the duties of
33 the System of Care Advisory Council established under ORS 418.978, as directed by the council.

34 (2) The *[authority]* **department** may not expend moneys that are appropriated to or otherwise
35 made available to the *[authority]* **department** under this section except as directed by the council.

36 **SECTION 583.** ORS 418.984 is amended to read:

37 418.984. (1) The Department of Human Services, the Oregon *[Health Authority]* **Department of**
38 **Health** and the Oregon Youth Authority may contract with public or private providers to establish
39 interdisciplinary assessment teams to provide services to youth.

40 (2) An interdisciplinary assessment team shall:

41 (a) Provide evaluation of youth.

42 (b) Increase statewide education, consultation and telemedicine evaluation, assessment and
43 treatment capacity, with specific emphasis on increasing access to psychiatric and developmental
44 assessments in communities that lack sufficient access to providers.

45 (c) Prioritize evaluation, assessment and stabilization services provided to youth who are placed

1 in hotels, in out-of-state facilities, in emergency department boarding, in shelter care, in institutional
 2 care, in county detention facilities or in the custody of the Oregon Youth Authority.

3 (3) The Oregon [*Health Authority*] **Department of Health**, in consultation with the Department
 4 of Human Services and the Oregon Youth Authority, shall establish criteria for proposals for con-
 5 tracts under this section, prepare and publish requests for proposals, receive proposals and award
 6 contracts to eligible providers.

7 (4) As used in this section, “system of care” and “youth” have the meanings given those terms
 8 in ORS 418.976.

9 **SECTION 584.** ORS 419A.245 is amended to read:

10 419A.245. (1) During the transportation of a youth, adjudicated youth, young person, ward or
 11 child by the Department of Human Services, the Oregon [*Health Authority*] **Department of Health**
 12 or an agent of the [*department or authority*] **Department of Human Services or the Oregon De-**
 13 **partment of Health:**

14 (a) Instruments of physical restraint, such as handcuffs, chains, irons, straitjackets, cloth re-
 15 straints, leather restraints, plastic restraints and other similar items, may not be used unless:

16 (A) The transportation is secure transportation to a detention facility, youth correction facility,
 17 as defined in ORS 420.005, secure hospital, secure intensive community inpatient facility or other
 18 secure facility; or

19 (B) Restraints are necessary due to an immediate and serious risk of dangerous or disruptive
 20 behavior and there are no less restrictive alternatives that will alleviate the immediate and serious
 21 risk of dangerous or disruptive behavior.

22 (b) Prior to the use of restraints during transportation, a transportation safety plan, including
 23 documentation of the need for restraints, must be created. The transportation safety plan must ad-
 24 dress intervention strategies designed to modify behavior without the use of restraints and recom-
 25 mend the least restrictive effective alternative.

26 (c) Only staff who have been adequately trained in restraint device usage may use and apply
 27 restraints during transportation.

28 (d) Restraints during transportation may not be used as punishment, for convenience or as a
 29 substitute for staff supervision.

30 (2) This section applies to all circumstances of transportation of a ward or child by the De-
 31 partment of Human Services, the Oregon [*Health Authority*] **Department of Health** or an agent of
 32 the [*department or authority*] **Department of Human Services or the Oregon Department of**
 33 **Health**, including but not limited to transportation between placements with child-caring agencies,
 34 foster homes, shelter care facilities, treatment and residential facilities or any other type of place-
 35 ment destination for a ward or child in the custody of the Department of Human Services.

36 **SECTION 585.** ORS 419A.260 is amended to read:

37 419A.260. (1) As used in ORS 419A.260 to 419A.271:

38 (a) “Contact” means any instance in which a person’s act or behavior, or alleged act or behav-
 39 ior, which could result in a referral to a juvenile department or a juvenile court’s assumption of
 40 jurisdiction under ORS 419B.100 (1)(a) to (c) and (f) or 419C.005 comes to the attention of an agency
 41 specified in paragraph (d) of this subsection.

42 (b) “Expunction” means:

43 (A) The removal by destruction of a judgment or order related to a contact and all records and
 44 references associated with a subject person;

45 (B) The removal by sealing of a judgment or order related to a contact and all records and

1 references associated with a subject person;

2 (C) The removal by redaction of a subject person's name and all personal identifiers and all
3 references to the subject person within a record; or

4 (D) If a record is kept by the Department of Human Services the department's affixing to the
5 front of the file containing the record a stamp or statement identifying the name of the individual,
6 the date of expunction and instruction that no further reference may be made to the record that is
7 subject to the expunction notice or order.

8 (c) "Person" includes a person under 18 years of age.

9 (d) "Record" includes a fingerprint or photograph file, report, exhibit or other material which
10 contains information relating to a person's contact with any law enforcement agency, juvenile court
11 or juvenile department, the Psychiatric Security Review Board, the Department of Human Services,
12 the Oregon Youth Authority or the Oregon [Health Authority] **Department of Health** and is kept
13 manually, through the use of electronic data processing equipment, or by any other means by a law
14 enforcement or public investigative agency, a juvenile court or juvenile department or an agency
15 of the State of Oregon. "Record" does not include:

16 (A) A transcript of a student's Youth Corrections Education Program academic record;

17 (B) Material on file with a public agency which is necessary for obtaining federal financial
18 participation regarding financial assistance or services on behalf of a person who has had a contact;

19 (C) Records kept or disseminated by the Department of Transportation, State Marine Board and
20 State Fish and Wildlife Commission pursuant to juvenile or adult order or recommendation;

21 (D) Police and court records related to an order of waiver where the matter is still pending in
22 the adult court or on appeal therefrom, or to any disposition as an adult pursuant to such order;

23 (E) Records related to a support obligation;

24 (F) Medical records other than those related to a finding of responsible except for insanity under
25 ORS 419C.411;

26 (G) Records of a proposed or adjudicated termination of parental rights and adoptions;

27 (H) Any law enforcement record of a person who currently does not qualify for expunction or
28 of current investigations or cases waived to the adult court;

29 (I) Records and case reports of the Oregon Supreme Court and the Oregon Court of Appeals;

30 (J) Any records in cases under ORS 419C.005 in which a juvenile court found a person to be
31 within the jurisdiction of the court based upon the person's commission of an act which if done by
32 an adult would constitute one of the following offenses:

33 (i) Aggravated murder under ORS 163.095;

34 (ii) Murder in any degree under ORS 163.107 or 163.115;

35 (iii) Attempt, solicitation or conspiracy to commit murder in any degree or aggravated murder;

36 (iv) Manslaughter in the first degree under ORS 163.118;

37 (v) Manslaughter in the second degree under ORS 163.125;

38 (vi) Criminally negligent homicide under ORS 163.145;

39 (vii) Assault in the first degree under ORS 163.185;

40 (viii) Criminal mistreatment in the first degree under ORS 163.205;

41 (ix) Kidnapping in the first degree under ORS 163.235;

42 (x) Rape in the third degree under ORS 163.355;

43 (xi) Rape in the second degree under ORS 163.365;

44 (xii) Rape in the first degree under ORS 163.375;

45 (xiii) Sodomy in the third degree under ORS 163.385;

- 1 (xiv) Sodomy in the second degree under ORS 163.395;
- 2 (xv) Sodomy in the first degree under ORS 163.405;
- 3 (xvi) Unlawful sexual penetration in the second degree under ORS 163.408;
- 4 (xvii) Unlawful sexual penetration in the first degree under ORS 163.411;
- 5 (xviii) Sexual abuse in the third degree under ORS 163.415;
- 6 (xix) Sexual abuse in the second degree under ORS 163.425;
- 7 (xx) Sexual abuse in the first degree under ORS 163.427;
- 8 (xxi) Promoting prostitution under ORS 167.012;
- 9 (xxii) Compelling prostitution under ORS 167.017;
- 10 (xxiii) Aggravated driving while suspended or revoked under ORS 163.196;
- 11 (xxiv) Aggravated vehicular homicide under ORS 163.149; or
- 12 (xxv) An attempt to commit a crime listed in this subparagraph other than manslaughter in the
- 13 second degree and criminally negligent homicide;
- 14 (K) Blood samples, buccal samples and other physical evidence and identification information
- 15 obtained, stored or maintained by the Department of State Police under authority of ORS 137.076,
- 16 181A.155 or 419C.473;
- 17 (L) Records maintained in the Law Enforcement Data System under ORS 163A.035; or
- 18 (M) Records of a law enforcement agency or public investigative agency concerning an open or
- 19 otherwise unresolved investigation.
- 20 (e) "Termination" means:
- 21 (A) For a person who is the subject of a record kept by a juvenile court or juvenile department,
- 22 the final disposition of a case by informal means, by a decision not to place the person on probation
- 23 or make the person a ward of the court after the person has been found to be within the court's
- 24 jurisdiction or by a discontinuance of probation, of the court's wardship or of the jurisdiction of the
- 25 Psychiatric Security Review Board, the Oregon [*Health Authority*] **Department of Health** or the
- 26 Department of Human Services.
- 27 (B) For a person who is the subject of a record kept by a law enforcement or public investi-
- 28 gative agency, a juvenile court or juvenile department or an agency of the State of Oregon, the final
- 29 disposition of the person's most recent contact with a law enforcement agency.
- 30 (2) The juvenile court or juvenile department shall make reasonable effort to provide written
- 31 notice to a child who is within the court's jurisdiction under ORS 419B.100 (1)(a) to (c) and (f) or
- 32 to a youth who is within the court's jurisdiction under ORS 419C.005, and to the child's or youth's
- 33 parent, of the procedures for expunction of a record, the right to and procedure to access counsel
- 34 under this chapter, the legal effect of an expunction order and the procedures for seeking relief from
- 35 the duty to report as a sex offender provided under ORS 163A.130, at the following times:
- 36 (a) At any dispositional hearing or at the time of entering into a formal accountability agree-
- 37 ment;
- 38 (b) At the time of termination;
- 39 (c) Upon notice to the subject of an expunction pending pursuant to application of a juvenile
- 40 department or motion on a juvenile court; and
- 41 (d) At the time of notice of execution of an expunction order.
- 42 **SECTION 586.** ORS 419B.005, as amended by section 8, chapter 90, Oregon Laws 2022, is
- 43 amended to read:
- 44 419B.005. As used in ORS 419B.005 to 419B.050, unless the context requires otherwise:
- 45 (1)(a) "Abuse" means:

1 (A) Any assault, as defined in ORS chapter 163, of a child and any physical injury to a child
2 which has been caused by other than accidental means, including any injury which appears to be
3 at variance with the explanation given of the injury.

4 (B) Any mental injury to a child, which shall include only observable and substantial impairment
5 of the child's mental or psychological ability to function caused by cruelty to the child, with due
6 regard to the culture of the child.

7 (C) Rape of a child, which includes but is not limited to rape, sodomy, unlawful sexual pene-
8 tration and incest, as those acts are described in ORS chapter 163.

9 (D) Sexual abuse, as described in ORS chapter 163.

10 (E) Sexual exploitation, including but not limited to:

11 (i) Contributing to the sexual delinquency of a minor, as defined in ORS chapter 163, and any
12 other conduct which allows, employs, authorizes, permits, induces or encourages a child to engage
13 in the performing for people to observe or the photographing, filming, tape recording or other ex-
14 hibition which, in whole or in part, depicts sexual conduct or contact, as defined in ORS 167.002 or
15 described in ORS 163.665 and 163.670, sexual abuse involving a child or rape of a child, but not in-
16 cluding any conduct which is part of any investigation conducted pursuant to ORS 419B.020 or
17 which is designed to serve educational or other legitimate purposes; and

18 (ii) Allowing, permitting, encouraging or hiring a child to engage in prostitution as described in
19 ORS 167.007 or a commercial sex act as defined in ORS 163.266, to purchase sex with a minor as
20 described in ORS 163.413 or to engage in commercial sexual solicitation as described in ORS 167.008.

21 (F) Negligent treatment or maltreatment of a child, including but not limited to the failure to
22 provide adequate food, clothing, shelter or medical care that is likely to endanger the health or
23 welfare of the child.

24 (G) Threatened harm to a child, which means subjecting a child to a substantial risk of harm
25 to the child's health or welfare.

26 (H) Buying or selling a person under 18 years of age as described in ORS 163.537.

27 (I) Permitting a person under 18 years of age to enter or remain in or upon premises where
28 methamphetamines are being manufactured.

29 (J) Unlawful exposure to a controlled substance, as defined in ORS 475.005, or to the unlawful
30 manufacturing of a cannabinoid extract, as defined in ORS 475C.009, that subjects a child to a sub-
31 stantial risk of harm to the child's health or safety.

32 (b) "Abuse" does not include reasonable discipline unless the discipline results in one of the
33 conditions described in paragraph (a) of this subsection.

34 (2) "Child" means an unmarried person who:

35 (a) Is under 18 years of age; or

36 (b) Is under 21 years of age and residing in or receiving care or services at a child-caring
37 agency as that term is defined in ORS 418.205.

38 (3) "Higher education institution" means:

39 (a) A community college as defined in ORS 341.005;

40 (b) A public university listed in ORS 352.002;

41 (c) The Oregon Health and Science University; and

42 (d) A private institution of higher education located in Oregon.

43 (4)(a) "Investigation" means a detailed inquiry into or assessment of the safety of a child alleged
44 to have experienced abuse.

45 (b) "Investigation" does not include screening activities conducted upon the receipt of a report.

- 1 (5) “Law enforcement agency” means:
- 2 (a) A city or municipal police department.
- 3 (b) A county sheriff’s office.
- 4 (c) The Oregon State Police.
- 5 (d) A police department established by a university under ORS 352.121 or 353.125.
- 6 (e) A county juvenile department.
- 7 (6) “Public or private official” means:
- 8 (a) Physician or physician assistant licensed under ORS chapter 677 or naturopathic physician,
- 9 including any intern or resident.
- 10 (b) Dentist.
- 11 (c) School employee, including an employee of a higher education institution.
- 12 (d) Licensed practical nurse, registered nurse, nurse practitioner, nurse’s aide, home health aide
- 13 or employee of an in-home health service.
- 14 (e) Employee of the Department of Human Services, Oregon [*Health Authority*] **Department of**
- 15 **Health**, Early Learning Division, Department of Education, Youth Development Division, Office of
- 16 Child Care, the Oregon Youth Authority, a local health department, a community mental health
- 17 program, a community developmental disabilities program, a county juvenile department, a child-
- 18 caring agency as that term is defined in ORS 418.205 or an alcohol and drug treatment program.
- 19 (f) Peace officer.
- 20 (g) Psychologist.
- 21 (h) Member of the clergy.
- 22 (i) Regulated social worker.
- 23 (j) Optometrist.
- 24 (k) Chiropractor.
- 25 (L) Certified provider of foster care, or an employee thereof.
- 26 (m) Attorney.
- 27 (n) Licensed professional counselor.
- 28 (o) Licensed marriage and family therapist.
- 29 (p) Firefighter or emergency medical services provider.
- 30 (q) A court appointed special advocate, as defined in ORS 419A.004.
- 31 (r) A child care provider registered or certified under ORS 329A.030 and 329A.250 to 329A.450.
- 32 (s) An elected official of a branch of government of this state or a state agency, board, com-
- 33 mission or department of a branch of government of this state or of a city, county or other political
- 34 subdivision in this state.
- 35 (t) Physical, speech or occupational therapist.
- 36 (u) Audiologist.
- 37 (v) Speech-language pathologist.
- 38 (w) Employee of the Teacher Standards and Practices Commission directly involved in investi-
- 39 gations or discipline by the commission.
- 40 (x) Pharmacist.
- 41 (y) An operator of a preschool recorded program under ORS 329A.255.
- 42 (z) An operator of a school-age recorded program under ORS 329A.255.
- 43 (aa) Employee of a private agency or organization facilitating the provision of respite services,
- 44 as defined in ORS 418.205, for parents pursuant to a properly executed power of attorney under ORS
- 45 109.056.

1 (bb) An employee of a public or private organization providing child-related services or activ-
 2 ities:

3 (A) Including but not limited to an employee of a:

- 4 (i) Youth group or center;
- 5 (ii) Scout group or camp;
- 6 (iii) Summer or day camp;
- 7 (iv) Survival camp; or

8 (v) Group, center or camp that is operated under the guidance, supervision or auspices of a re-
 9 ligious, public or private educational system or a community service organization; and

10 (B) Excluding an employee of a qualified victim services program as defined in ORS 147.600 that
 11 provides confidential, direct services to victims of domestic violence, sexual assault, stalking or hu-
 12 man trafficking.

13 (cc) A coach, assistant coach or trainer of an amateur, semiprofessional or professional athlete,
 14 if compensated and if the athlete is a child.

15 (dd) Personal support worker, as defined in ORS 410.600.

16 (ee) Home care worker, as defined in ORS 410.600.

17 (ff) Animal control officer, as defined in ORS 609.500.

18 (gg) Member of a school district board, an education service district board or a public charter
 19 school governing body.

20 (hh) An individual who is paid by a public body, in accordance with ORS 430.215, to provide a
 21 service identified in an individualized written service plan of a child with a developmental disability.

22 (ii) Referral agent, as defined in ORS 418.351.

23 **SECTION 587.** ORS 419B.005, as amended by section 58, chapter 631, Oregon Laws 2021, section
 24 16, chapter 27, Oregon Laws 2022, and section 7, chapter 90, Oregon Laws 2022, is amended to read:
 25 419B.005. As used in ORS 419B.005 to 419B.050, unless the context requires otherwise:

26 (1)(a) "Abuse" means:

27 (A) Any assault, as defined in ORS chapter 163, of a child and any physical injury to a child
 28 which has been caused by other than accidental means, including any injury which appears to be
 29 at variance with the explanation given of the injury.

30 (B) Any mental injury to a child, which shall include only observable and substantial impairment
 31 of the child's mental or psychological ability to function caused by cruelty to the child, with due
 32 regard to the culture of the child.

33 (C) Rape of a child, which includes but is not limited to rape, sodomy, unlawful sexual pene-
 34 tration and incest, as those acts are described in ORS chapter 163.

35 (D) Sexual abuse, as described in ORS chapter 163.

36 (E) Sexual exploitation, including but not limited to:

37 (i) Contributing to the sexual delinquency of a minor, as defined in ORS chapter 163, and any
 38 other conduct which allows, employs, authorizes, permits, induces or encourages a child to engage
 39 in the performing for people to observe or the photographing, filming, tape recording or other ex-
 40 hibition which, in whole or in part, depicts sexual conduct or contact, as defined in ORS 167.002 or
 41 described in ORS 163.665 and 163.670, sexual abuse involving a child or rape of a child, but not in-
 42 cluding any conduct which is part of any investigation conducted pursuant to ORS 419B.020 or
 43 which is designed to serve educational or other legitimate purposes; and

44 (ii) Allowing, permitting, encouraging or hiring a child to engage in prostitution as described in
 45 ORS 167.007 or a commercial sex act as defined in ORS 163.266, to purchase sex with a minor as

1 described in ORS 163.413 or to engage in commercial sexual solicitation as described in ORS 167.008.

2 (F) Negligent treatment or maltreatment of a child, including but not limited to the failure to
 3 provide adequate food, clothing, shelter or medical care that is likely to endanger the health or
 4 welfare of the child.

5 (G) Threatened harm to a child, which means subjecting a child to a substantial risk of harm
 6 to the child's health or welfare.

7 (H) Buying or selling a person under 18 years of age as described in ORS 163.537.

8 (I) Permitting a person under 18 years of age to enter or remain in or upon premises where
 9 methamphetamines are being manufactured.

10 (J) Unlawful exposure to a controlled substance, as defined in ORS 475.005, or to the unlawful
 11 manufacturing of a cannabinoid extract, as defined in ORS 475C.009, that subjects a child to a sub-
 12 stantial risk of harm to the child's health or safety.

13 (b) "Abuse" does not include reasonable discipline unless the discipline results in one of the
 14 conditions described in paragraph (a) of this subsection.

15 (2) "Child" means an unmarried person who:

16 (a) Is under 18 years of age; or

17 (b) Is under 21 years of age and residing in or receiving care or services at a child-caring
 18 agency as that term is defined in ORS 418.205.

19 (3) "Higher education institution" means:

20 (a) A community college as defined in ORS 341.005;

21 (b) A public university listed in ORS 352.002;

22 (c) The Oregon Health and Science University; and

23 (d) A private institution of higher education located in Oregon.

24 (4)(a) "Investigation" means a detailed inquiry into or assessment of the safety of a child alleged
 25 to have experienced abuse.

26 (b) "Investigation" does not include screening activities conducted upon the receipt of a report.

27 (5) "Law enforcement agency" means:

28 (a) A city or municipal police department.

29 (b) A county sheriff's office.

30 (c) The Oregon State Police.

31 (d) A police department established by a university under ORS 352.121 or 353.125.

32 (e) A county juvenile department.

33 (6) "Public or private official" means:

34 (a) Physician or physician assistant licensed under ORS chapter 677 or naturopathic physician,
 35 including any intern or resident.

36 (b) Dentist.

37 (c) School employee, including an employee of a higher education institution.

38 (d) Licensed practical nurse, registered nurse, nurse practitioner, nurse's aide, home health aide
 39 or employee of an in-home health service.

40 (e) Employee of the Department of Human Services, Oregon [*Health Authority*] **Department of**
 41 **Health**, Department of Early Learning and Care, Department of Education, Youth Development Di-
 42 vision, Office of Child Care, the Oregon Youth Authority, a local health department, a community
 43 mental health program, a community developmental disabilities program, a county juvenile depart-
 44 ment, a child-caring agency as that term is defined in ORS 418.205 or an alcohol and drug treatment
 45 program.

- 1 (f) Peace officer.
- 2 (g) Psychologist.
- 3 (h) Member of the clergy.
- 4 (i) Regulated social worker.
- 5 (j) Optometrist.
- 6 (k) Chiropractor.
- 7 (L) Certified provider of foster care, or an employee thereof.
- 8 (m) Attorney.
- 9 (n) Licensed professional counselor.
- 10 (o) Licensed marriage and family therapist.
- 11 (p) Firefighter or emergency medical services provider.
- 12 (q) A court appointed special advocate, as defined in ORS 419A.004.
- 13 (r) A child care provider registered or certified under ORS 329A.250 to 329A.450.
- 14 (s) An elected official of a branch of government of this state or a state agency, board, com-
15 mission or department of a branch of government of this state or of a city, county or other political
16 subdivision in this state.
- 17 (t) Physical, speech or occupational therapist.
- 18 (u) Audiologist.
- 19 (v) Speech-language pathologist.
- 20 (w) Employee of the Teacher Standards and Practices Commission directly involved in investi-
21 gations or discipline by the commission.
- 22 (x) Pharmacist.
- 23 (y) An operator of a preschool recorded program under ORS 329A.255.
- 24 (z) An operator of a school-age recorded program under ORS 329A.255.
- 25 (aa) Employee of a private agency or organization facilitating the provision of respite services,
26 as defined in ORS 418.205, for parents pursuant to a properly executed power of attorney under ORS
27 109.056.
- 28 (bb) An employee of a public or private organization providing child-related services or activ-
29 ities:
 - 30 (A) Including but not limited to an employee of a:
 - 31 (i) Youth group or center;
 - 32 (ii) Scout group or camp;
 - 33 (iii) Summer or day camp;
 - 34 (iv) Survival camp; or
 - 35 (v) Group, center or camp that is operated under the guidance, supervision or auspices of a re-
36 ligious, public or private educational system or a community service organization; and
 - 37 (B) Excluding an employee of a qualified victim services program as defined in ORS 147.600 that
38 provides confidential, direct services to victims of domestic violence, sexual assault, stalking or hu-
39 man trafficking.
- 40 (cc) A coach, assistant coach or trainer of an amateur, semiprofessional or professional athlete,
41 if compensated and if the athlete is a child.
- 42 (dd) Personal support worker, as defined in ORS 410.600.
- 43 (ee) Home care worker, as defined in ORS 410.600.
- 44 (ff) Animal control officer, as defined in ORS 609.500.
- 45 (gg) Member of a school district board, an education service district board or a public charter

1 school governing body.

2 (hh) An individual who is paid by a public body, in accordance with ORS 430.215, to provide a
3 service identified in an individualized written service plan of a child with a developmental disability.

4 (ii) Referral agent, as defined in ORS 418.351.

5 **SECTION 588.** ORS 419B.839 is amended to read:

6 419B.839. (1) Summons in proceedings to establish jurisdiction under ORS 419B.100 must be
7 served on:

8 (a) The parents of the child without regard to who has legal or physical custody of the child;

9 (b) The legal guardian of the child;

10 (c) A putative father of the child who satisfies the criteria set out in ORS 419B.875 (1)(a)(C),
11 except as provided in subsection (4) of this section;

12 (d) A putative father of the child if notice of the initiation of filiation or parentage proceedings
13 was on file with the Center for Health Statistics of the Oregon [*Health Authority*] **Department of**
14 **Health** prior to the initiation of the juvenile court proceedings, except as provided in subsection (4)
15 of this section;

16 (e) The person who has physical custody of the child, if the child is not in the physical custody
17 of a parent; and

18 (f) The child, if the child is 12 years of age or older.

19 (2) If it appears to the court that the welfare of the child or of the public requires that the child
20 immediately be taken into custody, the court may indorse an order on the summons directing the
21 officer serving it to take the child into custody.

22 (3) Summons may be issued requiring the appearance of any person whose presence the court
23 deems necessary.

24 (4) Summons under subsection (1) of this section is not required to be given to a putative father
25 whom a court of competent jurisdiction has found not to be the child's legal parent or who has filed
26 a petition for filiation that was dismissed if no appeal from the judgment or order is pending.

27 (5) If a guardian ad litem has been appointed for a parent under ORS 419B.231, a copy of a
28 summons served on the parent under this section must be provided to the guardian ad litem.

29 **SECTION 589.** ORS 419C.382 is amended to read:

30 419C.382. (1) The Oregon [*Health Authority*] **Department of Health** shall:

31 (a) Develop training standards for psychiatrists, licensed psychologists and regulated social
32 workers conducting evaluations under ORS 419C.380;

33 (b) Develop guidelines for the conduct of evaluations; and

34 (c) Provide courts with a current list of qualified evaluators from which an evaluator may be
35 selected. Neither the parties nor the court is required to choose an evaluator from the list provided
36 by the [*authority*] **department**, provided that the evaluator chosen is otherwise qualified.

37 (2) The [*authority*] **department** shall adopt rules necessary to implement this section.

38 **SECTION 590.** ORS 419C.386 is amended to read:

39 419C.386. (1)(a) If a party to a proceeding under ORS 419C.378 raises the issue of fitness to
40 proceed, the party shall file the original report on the evaluation conducted under ORS 419C.380
41 with the clerk of the court and deliver copies of the report to all parties to the proceeding.

42 (b) If the court raises the issue of fitness to proceed under ORS 419C.378, the person conducting
43 the evaluation under ORS 419C.380 shall file with the clerk of the court the original report on the
44 evaluation and two copies of the report. The clerk of the court shall deliver the copies to the district
45 attorney and to counsel for the youth.

1 (c) The report must be filed with the clerk of the court within 30 days after the order for eval-
 2 uation is issued, unless the deadline is extended by written court order for good cause. An extension
 3 under this paragraph may not exceed 30 days.

4 (2) A report filed under this section must include:

5 (a) A description of the evaluation;

6 (b) A list of information that the evaluator reviewed as part of the evaluation;

7 (c) The evaluator's opinion as to whether the youth is unfit to proceed as described in ORS
 8 419C.378, including the evaluator's opinion as to whether the youth suffers from a qualifying mental
 9 disorder or another condition; and

10 (d) If the evaluator is of the opinion that the youth is unfit to proceed, the evaluator's opinion
 11 regarding whether there is a substantial probability that the youth will gain or regain fitness to
 12 proceed and, if there is a substantial probability that the youth will gain or regain fitness to pro-
 13 ceed, the specific restorative services under ORS 419C.396 that are needed and the anticipated du-
 14 ration of those services.

15 (3) A report filed under this section may not include statements made by the youth about the
 16 acts alleged in the petition alleging jurisdiction under ORS 419C.005.

17 (4) Statements made to an evaluator by a youth during an evaluation, or made to persons in-
 18 volved in the evaluation, about the acts alleged in the petition are not admissible against the youth
 19 in any proceeding relating to the petition.

20 (5) Notwithstanding ORS 419A.255, the clerk of the court shall provide the Oregon [*Health Au-*
 21 *thority*] **Department of Health** with copies of the petition and the report on the evaluation upon
 22 request of the [*authority*] **department**.

23 **SECTION 591.** ORS 419C.392 is amended to read:

24 419C.392. (1) If the court finds that the youth is fit to proceed, the court shall vacate the stay
 25 under ORS 419C.378.

26 (2) If the court finds that the youth is unfit to proceed and that there is not a substantial
 27 probability that the youth will gain or regain fitness to proceed in the foreseeable future if provided
 28 restorative services under ORS 419C.396, the court shall:

29 (a) Immediately enter a judgment that dismisses the petition alleging jurisdiction under ORS
 30 419C.005 without prejudice; or

31 (b) If necessary for planning or instituting an alternative proceeding, then not more than five
 32 days after the findings are made enter a judgment that dismisses the petition without prejudice.

33 (3)(a) If the court finds that the youth is unfit to proceed and that there is a substantial proba-
 34 bility that the youth will gain or regain fitness to proceed in the foreseeable future if provided
 35 restorative services under ORS 419C.396, the court shall continue the order under ORS 419C.378
 36 staying the proceedings and order that the youth receive restorative services under ORS 419C.396.

37 (b) The court shall forward the order for restorative services to the Oregon [*Health Authority*]
 38 **Department of Health**.

39 **SECTION 592.** ORS 419C.394 is amended to read:

40 419C.394. (1) The Oregon [*Health Authority*] **Department of Health** shall administer a program
 41 to provide restorative services under ORS 419C.396 to youths who:

42 (a) Are determined unfit to proceed as described in ORS 419C.378; and

43 (b) Present a substantial probability of gaining or regaining fitness to proceed in the foreseeable
 44 future.

45 (2) The [*authority*] **department** shall develop qualifications and standards for persons who pro-

1 vide restorative services under ORS 419C.396 and shall solicit qualified applicants to provide those
2 services.

3 **SECTION 593.** ORS 419C.396 is amended to read:

4 419C.396. (1) The Oregon [*Health Authority*] **Department of Health** shall arrange for the pro-
5 vision of or begin providing restorative services within 30 days after receiving a court order under
6 ORS 419C.392 (3). The [*authority*] **department** shall send a report to the court, with copies to the
7 parties to the proceeding initiated by a petition alleging jurisdiction under ORS 419C.005, no later
8 than 90 days after receipt of the order. The report must describe the nature and duration of
9 restorative services provided, indicate whether the youth is fit to proceed or presents a substantial
10 probability of gaining or regaining fitness to proceed and recommend whether restorative services
11 should be continued and, if so, the type and duration of the services.

12 (2) Within 14 days after receiving a report under subsection (1) of this section, the court shall
13 determine the youth's fitness to proceed.

14 (3) Upon the recommendation of the [*authority*] **department**, the request of a party or the
15 court's own motion, the court may hold a review hearing concerning the evaluation of the youth's
16 fitness to proceed at any time during which restorative services are provided pursuant to an order
17 under ORS 419C.392 (3). After a review hearing, the court shall determine the youth's fitness to
18 proceed.

19 (4) If the court finds that a youth is fit to proceed, the court shall vacate the stay under ORS
20 419C.378.

21 (5) If the court finds that the youth remains unfit to proceed and that there is not a substantial
22 probability that the youth will gain or regain fitness to proceed in the foreseeable future, the court
23 shall:

24 (a) Immediately enter a judgment that dismisses the petition alleging jurisdiction under ORS
25 419C.005 without prejudice; or

26 (b) If necessary for planning or instituting an alternative proceeding, then not more than five
27 days after the findings are made enter a judgment that dismisses the petition without prejudice.

28 (6) If the court finds under subsection (2) or (3) of this section that the youth remains unfit to
29 proceed, but that the youth presents a substantial probability of gaining or regaining fitness to
30 proceed, the court shall order that restorative services be continued. The court shall order the
31 [*authority*] **department** to send a report to the court, with copies to the parties, within a specified
32 time, not to exceed 90 days from the time the order is filed.

33 (7) If the court finds under subsection (2) or (3) of this section that a youth remains unfit to
34 proceed, the youth shall be discharged within a period of time that is reasonable for making a de-
35 termination whether the youth presents a substantial probability of gaining or regaining fitness to
36 proceed. Regardless of the number of acts the petition alleging jurisdiction under ORS 419C.005 al-
37 leges that the youth committed, the youth may not be continued in restorative services for longer
38 than whichever of the following, measured from the date the petition is filed, is shorter:

39 (a) Three years; or

40 (b) The period of time that is equal to the maximum commitment the court could have imposed
41 if the petition had been adjudicated.

42 (8)(a) If the court orders placement for restorative services, the court may specify the type of
43 care, supervision, security or services to be provided by the [*authority*] **department** to any youth
44 placed in the custody of the Department of Human Services and to the parents or guardians of the
45 youth.

1 (b) The *[authority]* **Oregon Department of Health**, in coordination with the Department of
2 Human Services, the local juvenile department and the youth's family, may place the youth in any
3 facility authorized to accept the youth and provide the necessary services and care that are most
4 appropriate for the youth.

5 (c) The *[authority]* **Oregon Department of Health** shall continue to provide restorative services
6 wherever the youth is placed.

7 **SECTION 594.** ORS 419C.507 is amended to read:

8 419C.507. The court may, in lieu of or in addition to any disposition under this chapter, direct
9 that an adjudicated youth be examined or treated by a physician, psychiatrist or psychologist, or
10 receive other special care or treatment in a hospital or other suitable facility. If the court deter-
11 mines that mental health examination and treatment should be provided by services delivered
12 through the Oregon *[Health Authority]* **Department of Health**, the Department of Human Services
13 shall determine the appropriate placement or services in consultation with the court, the Oregon
14 Youth Authority and other affected agencies. If the youth authority or another affected agency ob-
15 jects to the type of placement or services, the court shall determine the appropriate type of place-
16 ment or service. During the examination or treatment of the adjudicated youth, the Department of
17 **Human Services** may, if appropriate, be appointed guardian of the adjudicated youth.

18 **SECTION 595.** ORS 419C.529 is amended to read:

19 419C.529. (1) After the entry of a jurisdictional order under ORS 419C.411 (2), if the court finds
20 by a preponderance of the evidence that the young person, at the time of disposition, has a serious
21 mental condition or has a qualifying mental disorder other than a serious mental condition and
22 presents a substantial danger to others, requiring conditional release or commitment to a hospital
23 or facility designated on an individual case basis by the Department of Human Services or the
24 Oregon *[Health Authority]* **Department of Health** as provided in subsection (6) of this section, the
25 court shall order the young person placed under the jurisdiction of the Psychiatric Security Review
26 Board.

27 (2) The court shall determine whether the young person should be committed to a hospital or
28 facility designated on an individual case basis by the *[department or the authority]* **Department of**
29 **Human Services or the Oregon Department of Health**, as provided in subsection (6) of this sec-
30 tion, or conditionally released pending a hearing before the juvenile panel of the Psychiatric Secu-
31 rity Review Board as follows:

32 (a) If the court finds that the young person is not a proper subject for conditional release, the
33 court shall order the young person committed to a secure hospital or a secure intensive community
34 inpatient facility designated on an individual case basis by the *[department or the authority]* **De-**
35 **partment of Human Services or the Oregon Department of Health**, as provided in subsection
36 (6) of this section, for custody, supervision and treatment pending a hearing before the juvenile
37 panel in accordance with ORS 419C.532, 419C.535, 419C.538, 419C.540 and 419C.542 and shall order
38 the young person placed under the jurisdiction of the board.

39 (b) If the court finds that the young person can be adequately controlled with supervision and
40 treatment services if conditionally released and that necessary supervision and treatment services
41 are available, the court may order the young person conditionally released, subject to those super-
42 visory orders of the court that are in the best interests of justice and the young person. The court
43 shall designate a qualified mental health or developmental disabilities treatment provider or state,
44 county or local agency to supervise the young person on release, subject to those conditions as the
45 court directs in the order for conditional release. Prior to the designation, the court shall notify the

1 qualified mental health or developmental disabilities treatment provider or agency to whom condi-
 2 tional release is contemplated and provide the qualified mental health or developmental disabilities
 3 treatment provider or agency an opportunity to be heard before the court. After receiving an order
 4 entered under this paragraph, the qualified mental health or developmental disabilities treatment
 5 provider or agency designated shall assume supervision of the young person subject to the direction
 6 of the juvenile panel. The qualified mental health or developmental disabilities treatment provider
 7 or agency designated as supervisor shall report in writing no less than once per month to the ju-
 8 venile panel concerning the supervised young person's compliance with the conditions of release.

9 (c) For purposes of determining whether to order commitment to a hospital or facility or condi-
 10 tional release, the primary concern of the court is the protection of society.

11 (3) In determining whether a young person should be conditionally released, the court may order
 12 examinations or evaluations deemed necessary.

13 (4) Upon placing a young person on conditional release and ordering the young person placed
 14 under the jurisdiction of the board, the court shall notify the juvenile panel in writing of the court's
 15 conditional release order, the supervisor designated and all other conditions of release pending a
 16 hearing before the juvenile panel in accordance with ORS 419C.532, 419C.535, 419C.538, 419C.540
 17 and 419C.542.

18 (5) When making an order under this section, the court shall:

19 (a) Determine whether the parent or guardian of the young person is able and willing to assist
 20 the young person in obtaining necessary mental health or developmental disabilities services and is
 21 willing to acquiesce in the decisions of the juvenile panel. If the court finds that the parent or
 22 guardian:

23 (A) Is able and willing to do so, the court shall order the parent or guardian to sign an irrev-
 24 ocable consent form in which the parent agrees to any placement decision made by the juvenile
 25 panel.

26 (B) Is unable or unwilling to do so, the court shall order that the young person be placed in the
 27 legal custody of the Department of Human Services for the purpose of obtaining necessary devel-
 28 opmental disabilities services or mental health services.

29 (b) Make specific findings on whether there is a victim and, if so, whether the victim wishes to
 30 be notified of any board hearings and orders concerning the young person and of any conditional
 31 release, discharge or escape of the young person.

32 (c) Include in the order a list of the persons who wish to be notified of any board hearing con-
 33 cerning the young person.

34 (d) Determine on the record the act committed by the young person for which the young person
 35 was found responsible except for insanity.

36 (e) State on the record the qualifying mental disorder on which the young person relied for the
 37 responsible except for insanity defense.

38 (6) When the Department of **Human Services** designates a facility for the commitment of a
 39 young person with a developmental disability under this section, or the [authority] **Oregon De-**
 40 **partment of Health** designates a hospital or facility for commitment of a young person with mental
 41 illness under this section, [the department and the authority] **each department** shall take into ac-
 42 count the care and treatment needs of the young person, the resources available to [the department
 43 or the authority] **each department** and the safety of the public.

44 **SECTION 596.** ORS 419C.530 is amended to read:

45 419C.530. The juvenile panel of the Psychiatric Security Review Board exercises continuing ju-

1 jurisdiction over a young person committed to, or retained in, a hospital or facility designated by the
 2 Department of Human Services or the Oregon [*Health Authority*] **Department of Health** under ORS
 3 419C.529. If the board determines after review that the placement of a young person in the partic-
 4 ular hospital or facility is so inappropriate as to create a substantial danger to others, the board
 5 may direct [*the department or the authority*] **either department** to place the young person in a
 6 specific type of facility or direct specific care or supervision, but the actual placement of the young
 7 person is the responsibility of the [*department or the authority*] **Department of Human Services**
 8 **or the Oregon Department of Health.**

9 **SECTION 597.** ORS 419C.532 is amended to read:

10 419C.532. (1) The juvenile panel of the Psychiatric Security Review Board shall conduct hearings
 11 on an application for discharge, conditional release, commitment or modification filed under or re-
 12 quired by ORS 419C.538, 419C.540 and 419C.542, and shall make findings on the issues before the
 13 juvenile panel.

14 (2) In every hearing before the juvenile panel, the juvenile panel shall determine whether the
 15 young person:

16 (a) Has a serious mental condition; or

17 (b) Has a qualifying mental disorder other than a serious mental condition and presents a sub-
 18 stantial danger to others.

19 (3) The juvenile panel shall order a young person discharged from commitment or conditional
 20 release if the juvenile panel finds that the young person:

21 (a) No longer has a qualifying mental disorder; or

22 (b) Has a qualifying mental disorder other than a serious mental condition but no longer pre-
 23 sents a substantial danger to others.

24 (4) The juvenile panel shall order a young person conditionally released subject to ORS 419C.538
 25 if the juvenile panel finds that:

26 (a) The young person:

27 (A) Has a serious mental condition; or

28 (B) Has a qualifying mental disorder other than a serious mental condition and presents a sub-
 29 stantial danger to others;

30 (b) The young person can be adequately controlled with treatment services as a condition of
 31 release; and

32 (c) Necessary supervision and treatment services are available.

33 (5) The juvenile panel shall order a young person committed to, or retained in, a hospital or
 34 facility designated by the Department of Human Services or the Oregon [*Health Authority*] **De-**
 35 **partment of Health** for custody, supervision and treatment subject to ORS 419C.540 if the juvenile
 36 panel finds that the young person:

37 (a)(A) Has a serious mental condition; or

38 (B) Has a qualifying mental disorder other than a serious mental condition and presents a sub-
 39 stantial danger to others; and

40 (b) Cannot be adequately controlled if conditionally released.

41 (6) In determining whether a young person should be committed to or retained in a hospital or
 42 facility, conditionally released or discharged, the primary concern of the juvenile panel is the pro-
 43 tection of society.

44 (7) In a hearing before the juvenile panel, a young person who has a qualifying mental disorder
 45 in a state of remission is considered to have a qualifying mental disorder if the qualifying mental

1 disorder may, with reasonable medical probability, occasionally become active.

2 (8) At any time, the juvenile panel may appoint a psychiatrist certified, or eligible to be certi-
3 fied, by the Oregon Medical Board in child psychiatry or a licensed psychologist with expertise in
4 child psychology to examine the young person and submit a written report to the juvenile panel.
5 Reports filed with the juvenile panel pursuant to the examination must include, but need not be
6 limited to, an opinion as to whether the young person:

7 (a)(A) Has a serious mental condition; or

8 (B) Has a qualifying mental disorder other than a serious mental condition and presents a sub-
9 stantial danger to others; and

10 (b) Could be adequately controlled with treatment services as a condition of release.

11 (9) The juvenile panel may make a determination regarding discharge or conditional release
12 based upon the written report submitted under subsection (8) of this section or ORS 419C.540 (3).
13 If a member of the juvenile panel desires further information from the examining psychiatrist or li-
14 censed psychologist who submitted the report, the juvenile panel shall summon the psychiatrist or
15 psychologist to give testimony.

16 (10) The juvenile panel shall consider all available evidence that is material, relevant and reli-
17 able regarding the issues before the juvenile panel. Evidence may include, but is not limited to, the
18 record of the juvenile court adjudication, information supplied by the attorney representing the state
19 or by any other interested person, including the young person, information concerning the young
20 person's mental condition and the entire psychiatric and juvenile court history of the young person.
21 All evidence of a type commonly relied upon by reasonably prudent persons in the conduct of their
22 serious affairs is admissible at the hearings. Testimony must be taken upon oath or affirmation of
23 the witness from whom received. The officer presiding at the hearing shall administer oaths and
24 affirmations to witnesses.

25 (11) The standard of proof on all issues at a hearing of the juvenile panel is by a preponderance
26 of the evidence.

27 (12)(a) The juvenile panel shall furnish written notice of any hearing pending under this section
28 within a reasonable time prior to the hearing to:

29 (A) The young person about whom the hearing is being conducted;

30 (B) The attorney representing the young person;

31 (C) The young person's parents or guardians, if known;

32 (D) The person having legal custody of the young person;

33 (E) The Attorney General or other attorney representing the state, if any; and

34 (F) The district attorney of the county in which the young person was adjudicated.

35 (b) The juvenile panel shall include in the notice required by paragraph (a) of this subsection:

36 (A) The time, place and location of the hearing;

37 (B) The nature of the hearing, the specific action for which the hearing has been requested, the
38 issues to be considered at the hearing and a reference to the particular sections of the statutes and
39 rules involved;

40 (C) A statement of the [authority] **Oregon Department of Health** and jurisdiction under which
41 the hearing is to be held; and

42 (D) A statement of all rights under subsection (13) of this section.

43 (13) A young person about whom a hearing is being held has the right:

44 (a) To appear at all proceedings held under this section, except juvenile panel deliberations.

45 (b) To cross-examine all witnesses appearing to testify at the hearing.

1 (c) To subpoena witnesses and documents as provided in ORS 161.395.

2 (d) To be represented by suitable legal counsel possessing skills and experience commensurate
3 with the nature and complexity of the case, to consult with counsel prior to the hearing and, if fi-
4 nancially eligible, to have suitable counsel appointed at state expense.

5 (e) To examine all information, documents and reports that the juvenile panel considers and, if
6 the information, documents and reports are available to the juvenile panel before the hearing, to
7 examine them prior to the hearing.

8 (14) Except for deliberations of the juvenile panel, the juvenile panel shall keep a record of all
9 hearings before the juvenile panel.

10 (15) Upon request of a person listed in subsection (12)(a) of this section or on its own motion,
11 the juvenile panel may continue a hearing for a reasonable period not to exceed 60 days to obtain
12 additional information or testimony or for other good cause shown.

13 (16) Within 30 days after the conclusion of the hearing, the juvenile panel shall provide written
14 notice of the juvenile panel's decision to the young person, the attorney representing the young
15 person, the young person's parents or guardians, if known, the person having legal custody of the
16 young person, the district attorney of the county in which the young person was adjudicated and
17 the Attorney General or other attorney representing the state, if any.

18 (17) The juvenile panel shall maintain and keep current the medical, social and delinquency
19 history of all young persons. The juvenile panel shall determine the confidentiality of records
20 maintained by the juvenile panel pursuant to ORS 192.338, 192.345 and 192.355.

21 **SECTION 598.** ORS 419C.533 is amended to read:

22 419C.533. (1) The juvenile panel of the Psychiatric Security Review Board, by rule pursuant to
23 ORS 183.325 to 183.410 and not inconsistent with law, may implement its policies and set out its
24 procedure and practice requirements and may promulgate such interpretive rules as the panel deems
25 necessary or appropriate to carry out its statutory responsibilities.

26 (2) The juvenile panel of the Psychiatric Security Review Board shall adopt rules defining the
27 type of dangerous behavior that requires the temporary placement of a young person with mental
28 retardation in a secure hospital or facility.

29 (3) The juvenile panel of the Psychiatric Security Review Board shall consult with the Depart-
30 ment of Human Services about proposed rules relating to developmental disabilities and the Oregon
31 [*Health Authority*] **Department of Health** about proposed rules relating to mental illness before is-
32 suing proposed rules for public comment and before adopting rules under this section.

33 **SECTION 599.** ORS 419C.538 is amended to read:

34 419C.538. (1) When the juvenile panel of the Psychiatric Security Review Board orders a young
35 person conditionally released under ORS 419C.532 (4), the juvenile panel may designate a qualified
36 mental health or developmental disabilities treatment provider or state, county or local agency to
37 supervise the young person on release subject to those conditions as the juvenile panel directs in
38 the order for conditional release. Prior to the designation, the juvenile panel shall notify the quali-
39 fied mental health or developmental disabilities treatment provider or agency to whom conditional
40 release is contemplated and provide the qualified mental health or developmental disabilities treat-
41 ment provider or agency an opportunity to be heard before the juvenile panel. After receiving an
42 order entered under ORS 419C.532 (4), the qualified mental health or developmental disabilities
43 treatment provider or agency designated shall assume supervision of the young person pursuant to
44 the direction of the juvenile panel.

45 (2) Conditions of release contained in orders entered under ORS 419C.532 (4) may be modified

1 from time to time and conditional release may be terminated by order of the juvenile panel as pro-
2 vided in ORS 419C.532 and 419C.542.

3 (3)(a) As a condition of release, the juvenile panel may require the young person to report to
4 any state, county or local mental health or developmental disabilities facility for evaluation. When-
5 ever medical, psychiatric or psychological treatment is recommended, the juvenile panel may order
6 the young person, as a condition of release, to cooperate with and accept the treatment of the fa-
7 cility.

8 (b) The facility to which the young person has been referred for evaluation shall perform the
9 evaluation and submit a written report of its findings to the juvenile panel. If the facility finds that
10 treatment of the young person is appropriate, the facility shall include its recommendations for
11 treatment in the report to the juvenile panel.

12 (c) Whenever treatment is provided by the facility, the facility shall furnish reports to the ju-
13 venile panel on a regular basis concerning the progress of the young person.

14 (d) The facility shall comply with any other conditions of release prescribed by order of the ju-
15 venile panel.

16 (4) If at any time it appears to the juvenile panel or the chairperson of the juvenile panel that
17 a young person has violated the terms of conditional release or that the mental health of the young
18 person has changed, the juvenile panel or the chairperson of the juvenile panel may order the young
19 person returned to a hospital or facility designated by the Department of Human Services or the
20 Oregon *[Health Authority]* **Department of Health** for evaluation and treatment. A written order of
21 the juvenile panel, or the chairperson of the juvenile panel on behalf of the juvenile panel, is suffi-
22 cient warrant for any peace officer to take the young person into custody and transport the young
23 person accordingly. A peace officer shall execute the order, and the young person shall be returned
24 as soon as practicable to a facility designated by the *[department or the authority]* **Department of**
25 **Human Services or the Oregon Department of Health**. Within 20 days following the return of
26 the young person to the facility designated by the *[department or the authority]* **Department of**
27 **Human Services or the Oregon Department of Health**, the juvenile panel shall conduct a hear-
28 ing. At a hearing required by this subsection, the state has the burden of proving the young person's
29 lack of fitness for conditional release.

30 (5) The community mental health program director, the community developmental disabilities
31 program director, the director of the facility providing treatment for the young person on condi-
32 tional release, a peace officer or a person responsible for the supervision of a young person on
33 conditional release may take a young person into custody or request that the young person be taken
34 into custody if there is reasonable cause to believe the young person presents a substantial danger
35 to others and that the young person is in need of immediate custody, supervision and treatment. A
36 young person taken into custody under this subsection must immediately be transported to a hospi-
37 tal or facility designated by the *[department or the authority]* **Department of Human Services or**
38 **the Oregon Department of Health**. Within 20 days following the return of the young person to the
39 facility designated by the *[department or the authority]* **Department of Human Services or the**
40 **Oregon Department of Health**, the juvenile panel shall conduct a hearing. At a hearing required
41 by this subsection, the state has the burden of proving the young person's lack of fitness for condi-
42 tional release.

43 (6)(a) A young person conditionally released under ORS 419C.532 (4) may apply to the juvenile
44 panel for discharge from or modification of an order of conditional release on the ground that the
45 young person no longer has a qualifying mental disorder or, if affected by a qualifying mental dis-

1 order other than a serious mental condition, no longer presents a substantial danger to others and
 2 no longer requires supervision or treatment services. Within 60 days after receiving an application
 3 under this paragraph, the juvenile panel shall conduct a hearing. At a hearing required by this
 4 paragraph, the young person has the burden of proving the young person's fitness for discharge or
 5 modification of the order of conditional release. A young person may not apply for discharge or
 6 modification of conditional release more often than once every six months.

7 (b) Upon application by any qualified mental health or developmental disabilities treatment
 8 provider or state, county or local agency responsible for supervision or treatment services pursuant
 9 to an order of conditional release, the juvenile panel shall conduct a hearing to determine if the
 10 conditions of release should be continued, modified or terminated. The application must be accom-
 11 panied by a report setting forth the facts supporting the application. At a hearing required by this
 12 paragraph, the state has the burden of proving the young person's lack of fitness for discharge or
 13 modification of the order of conditional release.

14 **SECTION 600.** ORS 419C.542 is amended to read:

15 419C.542. (1) A young person committed by the court under ORS 419C.529 to a hospital or fa-
 16 cility designated by the Department of Human Services or the Oregon [*Health Authority*] **Depart-**
 17 **ment of Health** may not be held in the hospital or facility for more than 90 days from the date of
 18 the court's commitment order without an initial hearing before the juvenile panel of the Psychiatric
 19 Security Review Board to determine whether the young person should be discharged or conditionally
 20 released.

21 (2) A young person may not be held pursuant to an order under ORS 419C.532 (5) for a period
 22 of time exceeding one year without a hearing before the juvenile panel to determine whether the
 23 young person should be discharged or conditionally released.

24 (3) When a young person has spent three years on conditional release, the juvenile panel shall
 25 bring the young person before the juvenile panel no later than 30 days after the expiration of the
 26 three-year period. The juvenile panel shall review the young person's status and determine whether
 27 the young person should be discharged from the jurisdiction of the board.

28 (4) Notwithstanding the fact that a young person who is brought before the juvenile panel under
 29 subsection (3) of this section continues to have a serious mental condition, the juvenile panel may
 30 discharge the young person if the young person did not exhibit behaviors that presented a substan-
 31 tial danger to others during the period of conditional release and no longer requires supervision by
 32 the juvenile panel.

33 **SECTION 601.** ORS 420.505 is amended to read:

34 420.505. (1) An adjudicated youth at a youth correction facility may apply for admission to a
 35 hospital or facility designated by the Department of Human Services or the Oregon [*Health Au-*
 36 *thority*] **Department of Health**. The application may be made on behalf of the adjudicated youth
 37 by the parents or legal guardian of the adjudicated youth. However, the superintendent shall not
 38 be required to cause the examination of an adjudicated youth who applies under this section more
 39 often than once in six months.

40 (2) Within five working days after receipt of the application, the superintendent of the youth
 41 correction facility shall cause the adjudicated youth to be examined by one or more qualified per-
 42 sons at the facility and shall request the examination of the adjudicated youth by one or more
 43 qualified persons employed or designated by the Department **of Human Services** or the Oregon
 44 [*Health Authority*] **Department of Health**. The examination conducted or authorized by the De-
 45 partment **of Human Services** or the Oregon [*Health Authority*] **Department of Health** shall take

1 place within five working days after receipt of the request from the superintendent. The examiners
2 shall prepare separate reports and shall submit such reports to the superintendent. A copy of the
3 reports shall be given to the applicant.

4 (3) If the superintendent finds that there is a probable cause to believe that the adjudicated
5 youth has a mental illness and that it would be in the best interests of the adjudicated youth to be
6 admitted to a hospital or facility designated by the Department of Human Services or the Oregon
7 [Health Authority] Department of Health, the superintendent shall notify the Department of Hu-
8 man Services or the Oregon [Health Authority] Department of Health and shall order the adjudi-
9 cated youth transferred pursuant to ORS 179.473.

10 (4) No adjudicated youth at a youth correction facility voluntarily admitted to a hospital or fa-
11 cility designated by the Department of Human Services or the Oregon [Health Authority] Depart-
12 ment of Health shall be detained therein more than 72 hours after the adjudicated youth is of the
13 age specified in ORS 420A.010 (5) setting the age limits for which the Oregon Youth Authority may
14 retain legal and physical custody of the adjudicated youth and has given notice in writing of the
15 desire of the adjudicated youth to be released. If the adjudicated youth is under the age specified
16 in ORS 420A.010 (5) setting the age limits for which the Oregon Youth Authority may retain legal
17 and physical custody of the adjudicated youth, the adjudicated youth may be returned to the youth
18 correction facility after notice in writing has been given by the parent or legal guardian of the ad-
19 judicated youth, that such parent or guardian desires that the adjudicated youth be discharged from
20 the hospital or facility designated by the Department of Human Services or the Oregon [Health
21 Authority] Department of Health.

22 **SECTION 602.** ORS 420.870 is amended to read:

23 420.870. Approval of the youth care center by the Oregon Youth Authority, required by ORS
24 420.865, shall be based on reasonable and satisfactory assurance that:

25 (1) Adequate physical facilities exist which comply with applicable rules of the Department of
26 Human Services, the Oregon [Health Authority] Department of Health and the State Fire Marshal.

27 (2) There is employment of capable and trained or experienced personnel.

28 (3) The youth care programs include educational, vocational, recreational and counseling op-
29 portunities that will be in the best interests of the youth.

30 (4) A county must demonstrate that an adequate probation system for youths exists in the
31 county in order to be eligible for state support for a youth care center.

32 **SECTION 603.** ORS 420A.135 is amended to read:

33 420A.135. (1) The Oregon Youth Authority may establish up to five secure regional youth facil-
34 ities.

35 (2) A secure regional youth facility shall:

36 (a) Provide secure incarceration;

37 (b) Provide education and job and life skills training including, but not limited to, anger man-
38 agement and self-control; and

39 (c) Include a drug and alcohol treatment component that meets the standards promulgated by
40 the Oregon [Health Authority] Department of Health pursuant to ORS 430.357.

41 (3) The Director of the Oregon Youth Authority is solely responsible for determining which
42 persons committed to, or placed in the custody of, the youth authority are eligible to participate in,
43 and are accepted for placement in, a secure regional youth facility. The juvenile court may recom-
44 mend to the Oregon Youth Authority that an adjudicated youth be placed in a secure regional youth
45 facility, but the recommendation is not binding on the youth authority.

1 **SECTION 604.** ORS 420A.145 is amended to read:

2 420A.145. (1) The Oregon Youth Authority may establish up to eight regional youth account-
3 ability camps.

4 (2) A regional youth accountability camp shall:

5 (a) Be based on a military basic training model that includes discipline, physical work, physical
6 exercise and military drill;

7 (b) Provide for cognitive restructuring in conformance with generally accepted rehabilitative
8 standards; and

9 (c) Include a drug and alcohol treatment component that meets the standards promulgated by
10 the Oregon [*Health Authority*] **Department of Health** pursuant to ORS 430.357.

11 (3) The youth authority may contract with all of the governing bodies of the counties in a region
12 to administer cooperatively a regional youth accountability camp subject to the provisions of ORS
13 420.011, 420.081, 420A.108 and 420A.111 (5).

14 (4) The youth authority may contract with any private agency to administer a regional youth
15 accountability camp subject to the provisions of ORS 420A.108 and 420A.111 (5).

16 **SECTION 605.** ORS 420A.155 is amended to read:

17 420A.155. (1) The Oregon Youth Authority may establish up to four regional residential acade-
18 mies.

19 (2) A regional residential academy shall:

20 (a) Provide a secure, closed residential campus;

21 (b) Provide year-round education, job and life skills training, vocational training and appren-
22 ticeship programs; and

23 (c) Include a drug and alcohol treatment component that meets the standards promulgated by
24 the Oregon [*Health Authority*] **Department of Health** pursuant to ORS 430.357.

25 (3) The youth authority may contract with all of the governing bodies of the counties in a region
26 to administer cooperatively a regional residential academy subject to the provisions of ORS 420.011,
27 420.081, 420A.108 and 420A.111 (5).

28 (4) The youth authority may contract with any private agency to administer a regional resi-
29 dential academy subject to the provisions of ORS 420A.108 and 420A.111 (5).

30 (5) The Director of the Oregon Youth Authority is solely responsible for determining which
31 persons committed to, or placed in the physical custody of, the youth authority are eligible to par-
32 ticipate in, and are accepted for, a regional residential academy. The juvenile court may recommend
33 to the Oregon Youth Authority that an adjudicated youth be placed in a regional residential acad-
34 emy, but the recommendation is not binding on the youth authority.

35 **SECTION 606.** ORS 421.504 is amended to read:

36 421.504. (1) The Department of Corrections, in consultation with the Oregon Criminal Justice
37 Commission, shall establish a special alternative incarceration program stressing a highly structured
38 and regimented routine. The program:

39 (a) Shall reflect evidence-based practices;

40 (b) Shall include a component of intensive self-discipline, physical work and physical exercise;

41 (c) Shall provide for cognitive restructuring in conformance with generally accepted
42 rehabilitative standards;

43 (d) May include a drug and alcohol treatment component that meets the standards promulgated
44 by the Oregon [*Health Authority*] **Department of Health** pursuant to ORS 430.357;

45 (e) Shall be trauma-informed and gender-responsive; and

1 (f) Shall be at least 270 days' duration.

2 (2) The Department of Corrections shall provide capital improvements and capital construction
3 necessary for the implementation of the program.

4 (3) Notwithstanding subsection (1) of this section, the department may convert the special al-
5 ternative incarceration program required by this section into an intensive alternative incarceration
6 addiction program as described in ORS 421.506 if the department determines that the needs of
7 offenders in the department's custody would be better served by an intensive alternative
8 incarceration addiction program than by the special alternative incarceration program.

9 **SECTION 607.** ORS 421.633 is amended to read:

10 421.633. (1) Notwithstanding ORS 421.611 to 421.630 or any actions taken under ORS 421.611 to
11 421.630, the Department of Corrections may lease all or part of the real property and any improve-
12 ments to the real property known as the Milliron Road Site south of Junction City, Lane County,
13 to the Oregon [Health Authority] Department of Health for a period of years agreed upon by the
14 [department and the authority] Department of Corrections and the Oregon Department of
15 Health.

16 (2) The [authority] Oregon Department of Health may build, own and operate, on the real
17 property leased from the Department of Corrections under subsection (1) of this section, a hospital
18 to provide diagnosis and evaluation, medical care, detoxification, social services, rehabilitation or
19 other services for individuals committed to the [authority] Oregon Department of Health under
20 ORS 426.130 and individuals committed to a state hospital under ORS 161.327 or 161.370.

21 (3) The Department of Corrections and the [authority] Oregon Department of Health are au-
22 thorized to negotiate and enter into a written agreement transferring ownership of the hospital de-
23 scribed in subsection (2) of this section from the [authority] Oregon Department of Health to the
24 Department of Corrections, under terms and conditions acceptable to the agencies.

25 **SECTION 608.** ORS 426.005 is amended to read:

26 426.005. (1) As used in ORS 426.005 to 426.390, unless the context requires otherwise:

27 (a) "Community mental health program director" means the director of an entity that provides
28 the services described in ORS 430.630 (3) to (5).

29 (b) "Director of the facility" means a superintendent of a state mental hospital, the chief of
30 psychiatric services in a community hospital or the person in charge of treatment and rehabilitation
31 programs at other treatment facilities.

32 (c) "Facility" means a state mental hospital, community hospital, residential facility,
33 detoxification center, day treatment facility or such other facility as the [authority] Oregon De-
34 partment of Health determines suitable that provides diagnosis and evaluation, medical care,
35 detoxification, social services or rehabilitation to persons who are in custody during a prehearing
36 period of detention or who have been committed to the Oregon [Health Authority] Department of
37 Health under ORS 426.130.

38 (d) "Licensed independent practitioner" means:

39 (A) A physician, as defined in ORS 677.010;

40 (B) A nurse practitioner licensed under ORS 678.375 and authorized to write prescriptions under
41 ORS 678.390; or

42 (C) A naturopathic physician licensed under ORS chapter 685.

43 (e) "Nonhospital facility" means any facility, other than a hospital, that is approved by the
44 [authority] department to provide adequate security, psychiatric, nursing and other services to
45 persons under ORS 426.232 or 426.233.

1 (f) "Person with mental illness" means a person who, because of a mental disorder, is one or
2 more of the following:

3 (A) Dangerous to self or others.

4 (B) Unable to provide for basic personal needs that are necessary to avoid serious physical harm
5 in the near future, and is not receiving such care as is necessary to avoid such harm.

6 (C) A person:

7 (i) With a chronic mental illness, as defined in ORS 426.495;

8 (ii) Who, within the previous three years, has twice been placed in a hospital or approved in-
9 patient facility by the [authority] **department** or the Department of Human Services under ORS
10 426.060;

11 (iii) Who is exhibiting symptoms or behavior substantially similar to those that preceded and led
12 to one or more of the hospitalizations or inpatient placements referred to in sub-subparagraph (ii)
13 of this subparagraph; and

14 (iv) Who, unless treated, will continue, to a reasonable medical probability, to physically or
15 mentally deteriorate so that the person will become a person described under either subparagraph
16 (A) or (B) of this paragraph or both.

17 (g) "Prehearing period of detention" means a period of time calculated from the initiation of
18 custody during which a person may be detained under ORS 426.228, 426.231, 426.232 or 426.233.

19 (2) Whenever a community mental health program director, director of the facility, superinten-
20 dent of a state hospital or administrator of a facility is referred to, the reference includes any
21 designee such person has designated to act on the person's behalf in the exercise of duties.

22 **SECTION 609.** ORS 426.010 is amended to read:

23 426.010. Except as otherwise ordered by the Oregon [Health Authority] **Department of Health**
24 pursuant to ORS 179.325, the Oregon State Hospital campuses in Salem, Marion County, and in
25 Junction City, Lane County, shall be used as state hospitals for the care and treatment of persons
26 with mental illness who are assigned to the care of the institutions by the [authority] **department**
27 or who have previously been committed to the institutions.

28 **SECTION 610.** ORS 426.020 is amended to read:

29 426.020. (1) The superintendent of a hospital referred to in ORS 426.010 shall be a person the
30 Oregon [Health Authority] **Department of Health** considers qualified to administer the hospital. If
31 the superintendent of any hospital is a physician licensed by the Oregon Medical Board, the super-
32 intendent shall serve as chief medical officer.

33 (2) If the superintendent is not a physician, the Director of the Oregon [Health Authority] **De-**
34 **partment of Health** or the designee of the director shall designate a physician to serve as chief
35 medical officer. The designated chief medical officer may be an appointed state employee in the
36 unclassified service, a self-employed contractor or an employee of a public or private entity that
37 contracts with the [authority] **department** to provide chief medical officer services. Unless the des-
38 ignated chief medical officer is specifically appointed as a state employee in the unclassified service,
39 the designated chief medical officer shall not be deemed a state employee for purposes of any state
40 statute, rule or policy.

41 (3)(a) Notwithstanding any other provision of law, the designated chief medical officer may su-
42 pervise physicians and naturopathic physicians who are employed by the hospital or who provide
43 services at the hospital pursuant to a contract.

44 (b) The designated chief medical officer may delegate all or part of the authority to supervise
45 other physicians and naturopathic physicians at the hospital to a physician who is employed by the

1 state, a self-employed contractor or an employee of a public or private entity that contracts with the
2 [authority] **department** to provide physician services.

3 **SECTION 611.** ORS 426.060 is amended to read:

4 426.060. (1) Commitments to the Oregon [Health Authority] **Department of Health** shall be made
5 only by the judge of a circuit court in a county of this state.

6 (2) The following is a nonexclusive list of powers the [authority] **department** may exercise
7 concerning the placement of persons committed or persons receiving emergency care and treatment
8 under ORS 426.070, 426.228 to 426.235 or 426.237:

9 (a) In its discretion and for reasons which are satisfactory to the [authority] **department**, the
10 [authority] **department** may direct any court-committed person to the facility best able to treat the
11 person. The decision of the [authority] **department** on such matters shall be final.

12 (b) At any time, for good cause and in the best interest of the person with mental illness, the
13 [authority] **department** may transfer a committed person from one facility to another. When trans-
14 ferring a person under this paragraph, the [authority] **department** shall make the transfer:

15 (A) If the transfer is from a facility in one class to a facility of the same class, as provided by
16 rule of the [authority] **department**;

17 (B) If the transfer is from a facility in one class to a facility in a less restrictive class, by fol-
18 lowing the procedures for trial visits under ORS 426.273; and

19 (C) If the transfer is from a facility in one class to a facility in a more restrictive class, by fol-
20 lowing the procedures under ORS 426.275.

21 (c) At any time, for good cause and in the best interest of the person with mental illness, the
22 [authority] **department** may transfer a person receiving emergency care and treatment under ORS
23 426.070 or 426.228 to 426.235, or intensive treatment under ORS 426.237, between hospitals and
24 nonhospital facilities approved by the [authority] **department** to provide emergency care or treat-
25 ment as defined by rule of the [authority] **department**.

26 (d) Pursuant to its rules, the [authority] **department** may delegate to a community mental health
27 program director the responsibility for assignment of persons with mental illness to suitable facili-
28 ties or transfer between such facilities under conditions which the [authority] **department** may de-
29 fine.

30 **SECTION 612.** ORS 426.070 is amended to read:

31 426.070. (1) Any of the following may initiate commitment procedures under this section by giv-
32 ing the notice described under subsection (2) of this section:

33 (a) Two persons;

34 (b) The local health officer; or

35 (c) Any magistrate or judge of a court of a federally recognized Indian tribe located in this state.

36 (2) For purposes of subsection (1) of this section, the notice must comply with the following:

37 (a) It must be in writing under oath;

38 (b) It must be given to the community mental health program director or a designee of the di-
39 rector in the county where the person alleged to have a mental illness resides;

40 (c) It must state that a person within the county other than the person giving the notice is a
41 person with mental illness and is in need of treatment, care or custody;

42 (d) If the commitment proceeding is initiated by two persons under subsection (1)(a) of this sec-
43 tion, it may include a request that the court notify the two persons:

44 (A) Of the issuance or nonissuance of a warrant under this section; or

45 (B) Of the court's determination under ORS 426.130 (1); and

1 (e) If the notice contains a request under paragraph (d) of this subsection, it must also include
2 the addresses of the two persons making the request.

3 (3) Upon receipt of a notice under subsections (1) and (2) of this section or when notified by a
4 circuit court that the court received notice under ORS 426.234, the community mental health pro-
5 gram director, or designee of the director, shall:

6 (a) Immediately notify the judge of the court having jurisdiction for that county under ORS
7 426.060 of the notification described in subsections (1) and (2) of this section.

8 (b) Immediately notify the Oregon [*Health Authority*] **Department of Health** if commitment is
9 proposed because the person appears to be a person with mental illness, as defined in ORS 426.005
10 (1)(f)(C). When such notice is received, the [*authority*] **department** may verify, to the extent known
11 by the [*authority*] **department**, whether or not the person meets the criteria described in ORS
12 426.005 (1)(f)(C)(i) and (ii) and so inform the community mental health program director or designee
13 of the director.

14 (c) Initiate an investigation under ORS 426.074 to determine whether there is probable cause to
15 believe that the person is in fact a person with mental illness.

16 (4) Upon completion, a recommendation based upon the investigation report under ORS 426.074
17 shall be promptly submitted to the court. If the community mental health program director deter-
18 mines that probable cause does not exist to believe that a person released from detention under ORS
19 426.234 (2)(c) or (3)(b) is a person with mental illness, the community mental health program director
20 may recommend assisted outpatient treatment in accordance with ORS 426.133.

21 (5) When the court receives notice under subsection (3) of this section:

22 (a) If the court, following the investigation, concludes that there is probable cause to believe
23 that the person investigated is a person with mental illness, it shall, through the issuance of a ci-
24 tation as provided in ORS 426.090, cause the person to be brought before it at a time and place as
25 it may direct, for a hearing under ORS 426.095 to determine whether the person is a person with
26 mental illness. The person shall be given the opportunity to appear voluntarily at the hearing unless
27 the person fails to appear or unless the person is detained pursuant to paragraph (b) of this sub-
28 section.

29 (b)(A) If the court finds that there is probable cause to believe that failure to take the person
30 into custody pending the investigation or hearing would pose serious harm or danger to the person
31 or to others, the court may issue a warrant of detention to the community mental health program
32 director or designee or the sheriff of the county or designee directing the director, sheriff or a
33 designee to take the person alleged to have a mental illness into custody and produce the person
34 at the time and place stated in the warrant.

35 (B) At the time the person is taken into custody, the person shall be informed by the community
36 mental health program director, the sheriff or a designee of the following:

37 (i) The person's rights with regard to representation by or appointment of counsel as described
38 in ORS 426.100;

39 (ii) The warning under ORS 426.123; and

40 (iii) The person's right, if the community mental health program director, sheriff or designee
41 reasonably suspects that the person is a foreign national, to communicate with an official from the
42 consulate of the person's country. A community mental health program director, sheriff or designee
43 is not civilly or criminally liable for failure to provide the information required by this sub-
44 subparagraph. Failure to provide the information required by this sub-subparagraph does not in itself
45 constitute grounds for the exclusion of evidence that would otherwise be admissible in a proceeding.

1 (C) The court may make any orders for the care and custody of the person prior to the hearing
 2 as it considers necessary.

3 (c) If the notice includes a request under subsection (2)(d)(A) of this section, the court shall
 4 notify the two persons of the issuance or nonissuance of a warrant under this subsection.

5 **SECTION 613.** ORS 426.072 is amended to read:

6 426.072. (1) A hospital or nonhospital facility must comply with provisions of subsection (2) of
 7 this section when a person alleged to have a mental illness is placed in custody at the hospital or
 8 nonhospital facility:

9 (a) By a warrant of detention under ORS 426.070;

10 (b) By a peace officer under ORS 426.228 or other individual authorized under ORS 426.233; or

11 (c) By a licensed independent practitioner under ORS 426.232.

12 (2) In circumstances described under subsection (1) of this section, the hospital or nonhospital
 13 facility and a treating licensed independent practitioner must comply with all the following:

14 (a) The person shall receive the care, custody and treatment required for mental and physical
 15 health and safety.

16 (b) The treating licensed independent practitioner shall report any care, custody and treatment
 17 to the court as required in ORS 426.075.

18 (c) All methods of treatment, including the prescription and administration of drugs, shall be the
 19 sole responsibility of the treating licensed independent practitioner. However, the person shall not
 20 be subject to electroshock therapy or unduly hazardous treatment and shall receive usual and cus-
 21 tomary treatment in accordance with medical standards in the community.

22 (d) The treating licensed independent practitioner shall be notified immediately of any seclusion
 23 of the person or use of mechanical restraints on the person. Every use of seclusion or mechanical
 24 restraint and the reasons for the use shall be made a part of the clinical record of the person over
 25 the signature of the treating licensed independent practitioner.

26 (e) The treating licensed independent practitioner shall give the person the warning under ORS
 27 426.123 at times the treating licensed independent practitioner determines the person will reasonably
 28 understand the notice. This paragraph only requires the notice to be given as often as the licensed
 29 independent practitioner determines is necessary to assure that the person is given an opportunity
 30 to be aware of the notice.

31 (3) The Oregon [*Health Authority*] **Department of Health** shall adopt rules necessary to carry
 32 out this section, including rules regarding the content of the medical record compiled during the
 33 current period of custody.

34 **SECTION 614.** ORS 426.075 is amended to read:

35 426.075. This section establishes procedures that are required to be followed before the hearing
 36 if a court, under ORS 426.070, orders a hearing under ORS 426.095. The following apply as described:

37 (1) The court shall be fully advised of all drugs and other treatment known to have been ad-
 38 ministered to the person alleged to have a mental illness that may substantially affect the ability
 39 of the person to prepare for or function effectively at the hearing. The following shall advise the
 40 court as required by this subsection:

41 (a) When not otherwise provided by paragraph (b) of this subsection, the community mental
 42 health program director or designee.

43 (b) When the person has been detained by a warrant of detention under ORS 426.070, 426.180,
 44 426.228, 426.232 or 426.233, the treating licensed independent practitioner.

45 (2) The court shall appoint examiners under ORS 426.110 sufficiently in advance of the hearing

1 so that the examiners may begin their preparation for the hearing. The records established by the
 2 Oregon [Health Authority] **Department of Health** by rule and the investigation report shall be made
 3 available to the examiners at least 24 hours before the hearing in order that the examiners may
 4 review the medical record and have an opportunity to inquire of the medical personnel concerning
 5 the treatment of the person alleged to have a mental illness during the detention period prior to the
 6 hearing.

7 (3) The medical record described in subsection (2) of this section shall be made available to
 8 counsel for the person alleged to have a mental illness at least 24 hours prior to the hearing.

9 (4) When requested by a party to the action, the party's attorney shall subpoena licensed inde-
 10 pendent practitioners who are or have been treating the person. Any treating licensed independent
 11 practitioner subpoenaed under this subsection shall be subpoenaed as an expert witness.

12 **SECTION 615.** ORS 426.110 is amended to read:

13 426.110. The following requirements relating to the appointment of examiners for purposes of a
 14 hearing under ORS 426.095 or 426.701 and 426.702 apply as described:

15 (1) The judge shall appoint one qualified examiner. If requested, the judge shall appoint one
 16 additional qualified examiner. A request for an additional examiner under this subsection must be
 17 made in writing and must be made by the person alleged to have a mental illness or the attorney
 18 for the person.

19 (2) To be qualified for purposes of this section, an examiner must:

20 (a) Agree to be an examiner.

21 (b) Be one of the following:

22 (A) A physician licensed by the Oregon Medical Board who is competent to practice psychiatry
 23 as provided by the Oregon [Health Authority] **Department of Health** or the Psychiatric Security
 24 Review Board by rule.

25 (B) Certified by the [authority] **department** or the Psychiatric Security Review Board as a
 26 mental health examiner qualified to make examinations for involuntary commitment proceedings.

27 (3) The [authority] **department** or the Psychiatric Security Review Board may establish, by rule,
 28 requirements for certification as a mental health examiner for purposes of subsection (2)(b)(B) of this
 29 section.

30 (4) The cost of examiners under this section shall be paid as provided under ORS 426.250.

31 **SECTION 616.** ORS 426.120 is amended to read:

32 426.120. (1) Examiners appointed under ORS 426.110 shall do all of the following:

33 (a) Examine the person as to mental condition.

34 (b) Initiate the examination process prior to the hearing. Any failure to comply with this par-
 35 agraph shall not, in itself, constitute sufficient grounds to challenge the examination conducted by
 36 an examiner.

37 (c) Make their separate reports in writing, under oath, to the court.

38 (d) Upon completion of the hearing, file the reports with the clerk of the court.

39 (2) The following is a nonexclusive list of requirements relating to the content of examination
 40 reports prepared under subsection (1) of this section:

41 (a) If the examiners find, and show by their reports, that the person examined is a person with
 42 mental illness, the reports shall include a recommendation as to the type of treatment facility best
 43 calculated to help the person recover from mental illness.

44 (b) Each report shall also advise the court whether in the opinion of the examiner the person
 45 with mental illness would cooperate with and benefit from a program of voluntary treatment.

1 (c) Reports shall contain the information required by the Oregon [*Health Authority*] **Department**
2 **of Health** by rule. The [*authority*] **department** shall adopt rules necessary to carry out this para-
3 graph.

4 (3) The examiner shall be allowed access to licensed independent practitioners, nurses or social
5 workers and to medical records compiled during the current involuntary prehearing period of de-
6 tention and the investigation report. Records and communications described in this subsection and
7 related communications are not privileged under ORS 40.230, 40.235, 40.240 or 40.250.

8 **SECTION 617.** ORS 426.127 is amended to read:

9 426.127. The following provisions are applicable to outpatient commitment under ORS 426.130
10 as described:

11 (1) The Oregon [*Health Authority*] **Department of Health** may only place a person in an out-
12 patient commitment if an adequate treatment facility is available.

13 (2) At the time of the hearing under ORS 426.095, the community mental health program direc-
14 tor, or a designee for the director, for the county in which the hearing takes place shall set the
15 conditions for the outpatient commitment. The conditions shall include, but not be limited to, the
16 following:

17 (a) Provision for outpatient care.

18 (b) A designation of a facility, service or other provider to provide care or treatment.

19 (3) A copy of the conditions shall be given to all of the individuals and entities described in ORS
20 426.278.

21 (4) Any outpatient commitment ordered under this section is subject to the provisions under
22 ORS 426.275.

23 (5) The community mental health program director or designee, for the county where a person
24 is on outpatient commitment, may modify the conditions for outpatient commitment when a modifi-
25 cation is in the best interest of the person. The community mental health program director or
26 designee shall send notification of such changes and the reasons for the changes to all those who
27 received a copy of the original conditions under ORS 426.278.

28 **SECTION 618.** ORS 426.129 is amended to read:

29 426.129. The Oregon [*Health Authority*] **Department of Health** shall employ at least one indi-
30 vidual to serve as a liaison between the [*authority*] **department** and communities in which the [*au-*
31 *thority*] **department** plans to establish housing for persons conditionally released by the Psychiatric
32 Security Review Board or for persons with mental illness.

33 **SECTION 619.** ORS 426.130 is amended to read:

34 426.130. (1) After hearing all of the evidence, and reviewing the findings of the examiners, the
35 court shall determine whether the person has a mental illness and is in need of treatment. If, in the
36 opinion of the court, the person:

37 (a) Is a person with mental illness based upon clear and convincing evidence, the court:

38 (A) Shall order the release of the person and dismiss the case if:

39 (i) The person is willing and able to participate in treatment on a voluntary basis; and

40 (ii) The court finds that the person will probably do so.

41 (B) May order conditional release under this subparagraph subject to the qualifications and re-
42 quirements under ORS 426.125. If the court orders conditional release under this subparagraph, the
43 court shall establish a period of commitment for the conditional release.

44 (C) May order commitment of the person with mental illness to the Oregon [*Health Authority*]
45 **Department of Health** for treatment if, in the opinion of the court, subparagraph (A) or (B) of this

1 paragraph is not in the best interest of the person. If the court orders commitment under this sub-
2 paragraph:

3 (i) The court shall establish a period of commitment.

4 (ii) The [authority] **department** may place the committed person in outpatient commitment un-
5 der ORS 426.127.

6 (D) Shall order that the person be prohibited from purchasing or possessing a firearm if, in the
7 opinion of the court, there is a reasonable likelihood the person would constitute a danger to self
8 or others or to the community at large as a result of the person's mental or psychological state as
9 demonstrated by past behavior or participation in incidents involving unlawful violence or threats
10 of unlawful violence, or by reason of a single incident of extreme, violent, unlawful conduct. When
11 a court makes an order under this subparagraph, the court shall cause a copy of the order to be
12 delivered to the sheriff of the county who will enter the information into the Law Enforcement Data
13 System.

14 (b) Is not a person with mental illness, the court shall release the person from custody if the
15 person has been detained under ORS 426.070, 426.180, 426.228, 426.232 or 426.233 and:

16 (A) Dismiss the case; or

17 (B) Order the person to participate in assisted outpatient treatment in accordance with ORS
18 426.133. The court may continue the proceeding for no more than seven days to allow time for the
19 community mental health program director to develop the person's assisted outpatient treatment
20 plan.

21 (2) A court that orders a conditional release, a commitment or assisted outpatient treatment
22 under this section shall establish a period of commitment or treatment for the person subject to the
23 order. Any period of commitment ordered for commitment or conditional release under this section
24 shall be for a period of time not to exceed 180 days. A period of assisted outpatient treatment shall
25 be for a period of time not to exceed 12 months.

26 (3) If the commitment proceeding was initiated under ORS 426.070 (1)(a) and if the notice in-
27 cluded a request under ORS 426.070 (2)(d)(B), the court shall notify the two persons of the court's
28 determination under subsection (1) of this section.

29 (4) If the court finds that the person is a person with mental illness and either orders commit-
30 ment under subsection (1)(a)(B) or (C) of this section or enters an order under subsection (1)(a)(D)
31 of this section, the court shall notify the person that the person is prohibited from purchasing or
32 possessing a firearm under state and federal law unless the person obtains relief from the prohibi-
33 tion from the Psychiatric Security Review Board under ORS 166.273 or under federal law.

34 **SECTION 620.** ORS 426.133 is amended to read:

35 426.133. (1) As used in ORS 426.005 to 426.390, "assisted outpatient treatment" may not be con-
36 strued to be a commitment under ORS 426.130 and does not include taking a person into custody
37 or the forced medication of a person.

38 (2) A court may issue an order requiring a person to participate in assisted outpatient treatment
39 if the court finds that the person:

40 (a)(A) Is 18 years of age or older;

41 (B) Has a mental disorder;

42 (C) Will not obtain treatment in the community voluntarily; and

43 (D) Is unable to make an informed decision to seek or to comply with voluntary treatment; and

44 (b) As a result of being a person described in paragraph (a) of this subsection:

45 (A) Is incapable of surviving safely in the community without treatment; and

1 (B) Requires treatment to prevent a deterioration in the person's condition that will predictably
 2 result in the person becoming a person with mental illness.

3 (3) In determining whether to issue the order under subsection (2) of this section, the court shall
 4 consider, but is not limited to considering, the following factors:

- 5 (a) The person's ability to access finances in order to get food or medicine.
- 6 (b) The person's ability to obtain treatment for the person's medical condition.
- 7 (c) The person's ability to access necessary resources in the community without assistance.
- 8 (d) The degree to which there are risks to the person's safety.
- 9 (e) The likelihood that the person will decompensate without immediate care or treatment.
- 10 (f) The person's previous attempts to inflict physical injury on self or others.
- 11 (g) The person's history of mental health treatment in the community.
- 12 (h) The person's patterns of decompensation in the past.
- 13 (i) The person's risk of being victimized or harmed by others.
- 14 (j) The person's access to the means to inflict harm on self or others.

15 (4) The community mental health program director may recommend to the court a treatment
 16 plan for a person participating in assisted outpatient treatment. The court may adopt the plan as
 17 recommended or with modifications.

18 (5) As part of the order under subsection (2) of this section, the court may prohibit the person
 19 from purchasing or possessing a firearm during the period of assisted outpatient treatment if, in the
 20 opinion of the court, there is a reasonable likelihood the person would constitute a danger to self
 21 or others or to the community at large as a result of the person's mental or psychological state, as
 22 demonstrated by past behavior or participation in incidents involving unlawful violence or threats
 23 of unlawful violence, or by reason of a single incident of extreme, violent, unlawful conduct. When
 24 a court adds a firearm prohibition to an order under subsection (2) of this section, the court shall
 25 cause a copy of the order to be delivered to the sheriff of the county, who shall enter the informa-
 26 tion into the Law Enforcement Data System.

27 (6) The court retains jurisdiction over the person until the earlier of the end of the period of
 28 the assisted outpatient treatment established under ORS 426.130 (2) or until the court finds that the
 29 person no longer meets the criteria in subsection (2) of this section.

30 (7) This section does not:

- 31 (a) Prevent a court from appointing a guardian ad litem to act for the person; or
- 32 (b) Require a community mental health program to provide treatment or services to, or super-
 33 vision of, the person:

 - 34 (A) If the county lacks sufficient funds for such purposes; or

35 (B) In the case of a county that has declined to operate or contract for a community mental
 36 health program, if the public agency or private corporation that contracts with the Oregon [*Health*
 37 *Authority*] **Department of Health** to provide the program, as described in ORS 430.640, lacks suf-
 38 ficient funds for such purposes.

39 **SECTION 621.** ORS 426.140 is amended to read:

40 426.140. (1) A person, other than a person incarcerated upon a criminal charge, who has been
 41 adjudged to be a person with mental illness or against whom commitment proceedings have been
 42 instituted may not be confined in any prison, jail or other enclosure where those charged with a
 43 crime or a violation of a municipal ordinance are incarcerated, unless the person represents an im-
 44 mediate and serious danger to staff or physical facilities of a hospital or other facility approved by
 45 the Oregon [*Health Authority*] **Department of Health** for the care, custody and treatment of the

1 person.

2 (2) A person alleged to have a mental illness who has been taken into custody may not be con-
3 fined, either before or after the commitment hearing, without an attendant in direct charge of the
4 person. If the person is not confined in a community hospital, the sheriff or community mental health
5 program director having the person in custody shall select an appropriate individual to act as at-
6 tendant in quarters that are suitable for the comfortable, safe and humane confinement of the person
7 and approved by the [authority] **department**.

8 **SECTION 622.** ORS 426.150 is amended to read:

9 426.150. (1) Upon receipt of the order of commitment, the Oregon [Health Authority] **Depart-**
10 **ment of Health** or its designee shall take the person with mental illness into its custody, and en-
11 sure the safekeeping and proper care of the person until the person is delivered to an assigned
12 treatment facility or to a representative of the assigned treatment facility. The representative of the
13 assigned treatment facility, accompanied by any assistants the [authority] **department** or its
14 designee may deem necessary, shall proceed to the place where the person is in custody, and upon
15 demand shall be given custody of the person, together with the certified record required by ORS
16 426.170. The representative shall issue appropriate receipts and immediately transport the person
17 safely to the assigned treatment facility and deliver the person and the record to the director or a
18 designated employee of the facility. In taking custody of the person, the [authority] **department**, its
19 designee or the representative of the facility has all the powers provided by ORS 133.225 and 161.255
20 and may require the assistance of any peace officer or other authorized individual.

21 (2) The committing judge, upon approval of the examining physicians or other qualified profes-
22 sionals as recommended by the [authority] **department** and upon request of a legal guardian, friend
23 or relative of the person with mental illness, may authorize the legal guardian, friend or relative to
24 transport the person to the assigned facility when the committing judge determines that means of
25 transportation would not be detrimental to the welfare of the person or to the public.

26 **SECTION 623.** ORS 426.170 is amended to read:

27 426.170. If any person is adjudged to have a mental illness and is ordered committed to the
28 Oregon [Health Authority] **Department of Health**, a copy of the complete record in the case, cer-
29 tified to by the court clerk or court administrator, shall be given to the local health officer, or to
30 the sheriff, for delivery to the director of the facility to which such person is assigned. The record
31 shall include the name, residence, nativity, sex and age of the person and all other information that
32 may be required by the rules and regulations promulgated by the [authority] **department**.

33 **SECTION 624.** ORS 426.217 is amended to read:

34 426.217. At any time after commitment by the court, the person, with the approval of the Oregon
35 [Health Authority] **Department of Health** or its designee, may change the status of the person to
36 that of a voluntary patient. Notwithstanding ORS 426.220, any person who alters status to that of
37 a voluntary patient under this section shall be released from the treating facility within 72 hours
38 of the request of the person for release.

39 **SECTION 625.** ORS 426.220 is amended to read:

40 426.220. (1) Pursuant to rules and regulations promulgated by the Oregon [Health Authority]
41 **Department of Health**, the superintendent of any state hospital for the treatment and care of per-
42 sons with mental illness may admit and hospitalize therein as a patient, any person who may have
43 a nervous disorder or a mental illness, and who voluntarily has made written application for such
44 admission. No person under the age of 18 years shall be admitted as a patient to any such state
45 hospital unless an application therefor in behalf of the person has been executed by the parent, adult

1 next of kin or legal guardian of the person. Except when a period of longer hospitalization has been
 2 imposed as a condition of admission, pursuant to rules and regulations of the [authority]
 3 **department**, no person voluntarily admitted to any state hospital shall be detained therein more
 4 than 72 hours after the person, if at least 18 years of age, has given notice in writing of a desire
 5 to be discharged therefrom, or, if the patient is under the age of 18 years, after notice in writing
 6 has been given by the parent, adult next of kin or legal guardian of the person that such parent,
 7 adult next of kin or legal guardian desires that such person be discharged therefrom.

8 (2) Any person voluntarily admitted to a state hospital pursuant to this section may upon ap-
 9 plication and notice to the superintendent of the hospital concerned, be granted a temporary leave
 10 of absence from the hospital if such leave, in the opinion of the superintendent, will not interfere
 11 with the successful treatment or examination of the applicant for leave.

12 (3) Upon admission or discharge of a minor to or from a state hospital the superintendent shall
 13 immediately notify the parent or guardian.

14 **SECTION 626.** ORS 426.223 is amended to read:

15 426.223. In retaking custody of a person with mental illness who has been committed to the
 16 Oregon [Health Authority] **Department of Health** under ORS 426.130 and who has, without lawful
 17 authority, left the custody of the facility to which the person has been assigned under ORS 426.060,
 18 or in the case of a person alleged to have a mental illness who is in custody under ORS 426.070,
 19 426.095, 426.228 to 426.235 or 426.237 at a hospital or nonhospital facility and who has, without
 20 lawful authority, left the hospital or nonhospital facility, the facility director or designee has all the
 21 powers provided by ORS 133.225 and 161.255 and may require the assistance of any peace officer
 22 or other authorized individual.

23 **SECTION 627.** ORS 426.225 is amended to read:

24 426.225. (1) If any person who has been committed to the Oregon [Health Authority] **Department**
 25 **of Health** under ORS 426.127 or 426.130 (1)(a)(B) or (C) requests, during this period of commitment,
 26 voluntary admission to a state hospital, the superintendent shall cause the person to be examined
 27 immediately by a licensed independent practitioner. If the licensed independent practitioner finds the
 28 person to be in need of immediate care or treatment for mental illness, the person shall be volun-
 29 tarily admitted.

30 (2) If any person who has been committed to the [authority] **department** under ORS 426.127 or
 31 426.130 (1)(a)(B) or (C) requests, during this period of commitment, voluntary admission to a facility
 32 approved by the [authority] **department**, the administrator of the facility shall cause the person to
 33 be examined immediately by a licensed independent practitioner. If the licensed independent practi-
 34 tioner finds the person to be in need of immediate care or treatment for mental illness, and the
 35 [authority] **department** grants approval, the person shall be voluntarily admitted.

36 **SECTION 628.** ORS 426.228 is amended to read:

37 426.228. (1) A peace officer may take into custody a person who the officer has probable cause
 38 to believe is dangerous to self or to any other person and is in need of immediate care, custody or
 39 treatment for mental illness. As directed by the community mental health program director, a peace
 40 officer shall remove a person taken into custody under this section to the nearest hospital or non-
 41 hospital facility approved by the Oregon [Health Authority] **Department of Health**. The officer shall
 42 prepare a written report and deliver it to the licensed independent practitioner who is treating the
 43 person. The report shall state:

- 44 (a) The reason for custody;
- 45 (b) The date, time and place the person was taken into custody; and

1 (c) The name of the community mental health program director and a telephone number where
 2 the director may be reached at all times.

3 (2) A peace officer shall take a person into custody when the community mental health program
 4 director, pursuant to ORS 426.233, notifies the peace officer that the director has probable cause to
 5 believe that the person is imminently dangerous to self or to any other person. As directed by the
 6 community mental health program director, the peace officer shall remove the person to a hospital
 7 or nonhospital facility approved by the [authority] **department**. The community mental health pro-
 8 gram director shall prepare a written report that the peace officer shall deliver to the licensed in-
 9 dependent practitioner who is treating the person. The report shall state:

10 (a) The reason for custody;

11 (b) The date, time and place the person was taken into custody; and

12 (c) The name of the community mental health program director and a telephone number where
 13 the director may be reached at all times.

14 (3) If more than one hour will be required to transport the person to the hospital or nonhospital
 15 facility from the location where the person was taken into custody, the peace officer shall obtain,
 16 if possible, a certificate from a licensed independent practitioner stating that the travel will not be
 17 detrimental to the person's physical health and that the person is dangerous to self or to any other
 18 person and is in need of immediate care or treatment for mental illness. The licensed independent
 19 practitioner shall have personally examined the person within 24 hours prior to signing the certif-
 20 icate.

21 (4) When a peace officer or other authorized individual, acting under this section, delivers a
 22 person to a hospital or nonhospital facility, a licensed independent practitioner shall examine the
 23 person immediately. If the licensed independent practitioner finds the person to be in need of
 24 emergency care or treatment for mental illness, the licensed independent practitioner shall proceed
 25 under ORS 426.232, otherwise the person may not be retained in custody. If the person is to be re-
 26 leased from custody, the peace officer or the community mental health program director shall return
 27 the person to the place where the person was taken into custody unless the person declines that
 28 service.

29 (5) A peace officer may transfer a person in custody under this section to the custody of an in-
 30 dividual authorized by the community mental health program director under ORS 426.233 (3). The
 31 peace officer may meet the authorized individual at any location that is in accordance with ORS
 32 426.140 to effect the transfer. When transferring a person in custody to an authorized individual, the
 33 peace officer shall deliver the report required under subsections (1) and (2) of this section to the
 34 authorized individual.

35 (6) An individual authorized under ORS 426.233 (3) shall take a person into custody when di-
 36 rected to do so by a peace officer or by a community mental health program director under ORS
 37 426.233.

38 (7) An individual authorized under ORS 426.233 (3) shall perform the duties of the peace officer
 39 or the community mental health program director required by this section and ORS 426.233 if the
 40 peace officer or the director has not already done so.

41 (8) An individual authorized under ORS 426.233 (3) may transfer a person in custody under this
 42 section to the custody of another individual authorized under ORS 426.233 (3) or a peace officer. The
 43 individual transferring custody may meet another authorized individual or a peace officer at any
 44 location that is in accordance with ORS 426.140 to effect the transfer.

45 (9)(a) When a peace officer takes a person into custody under this section, and the peace officer

1 reasonably suspects that the person is a foreign national, the peace officer shall inform the person
 2 of the person's right to communicate with an official from the consulate of the person's country.

3 (b) A peace officer is not civilly or criminally liable for failure to provide the information re-
 4 quired by this subsection. Failure to provide the information required by this subsection does not
 5 in itself constitute grounds for the exclusion of evidence that would otherwise be admissible in a
 6 proceeding.

7 **SECTION 629.** ORS 426.231 is amended to read:

8 426.231. (1) A licensed independent practitioner may hold a person for transportation to a
 9 treatment facility for up to 12 hours in a health care facility licensed under ORS chapter 441 and
 10 approved by the Oregon [*Health Authority*] **Department of Health** if:

11 (a) The licensed independent practitioner believes the person is dangerous to self or to any other
 12 person and is in need of emergency care or treatment for mental illness;

13 (b) The licensed independent practitioner is not related to the person by blood or marriage; and

14 (c) A licensed independent practitioner with admitting privileges at the receiving facility con-
 15 sents to the transporting.

16 (2) Before transporting the person, the licensed independent practitioner shall prepare a written
 17 statement that:

18 (a) The licensed independent practitioner has examined the person within the preceding 12
 19 hours;

20 (b) A licensed independent practitioner with admitting privileges at the receiving facility has
 21 consented to the transporting of the person for examination and admission if appropriate; and

22 (c) The licensed independent practitioner believes the person is dangerous to self or to any other
 23 person and is in need of emergency care or treatment for mental illness.

24 (3) The written statement required by subsection (2) of this section authorizes a peace officer,
 25 an individual authorized under ORS 426.233 or the designee of a community mental health program
 26 director to transport a person to the treatment facility indicated on the statement.

27 **SECTION 630.** ORS 426.233 is amended to read:

28 426.233. (1)(a) A community mental health program director operating under ORS 430.610 to
 29 430.695 or a designee of the director may take one of the actions listed in paragraph (b) of this
 30 subsection when the community mental health program director or designee has probable cause to
 31 believe a person:

32 (A) Is dangerous to self or to any other person and is in need of immediate care, custody or
 33 treatment for mental illness; or

34 (B)(i) Is a person with mental illness placed on conditional release under ORS 426.125, outpatient
 35 commitment under ORS 426.127 or trial visit under ORS 426.273; and

36 (ii) Is dangerous to self or to any other person or is unable to provide for basic personal needs
 37 and is not receiving the care that is necessary for health and safety and is in need of immediate
 38 care, custody or treatment for mental illness.

39 (b) The community mental health program director or designee under the circumstances set out
 40 in paragraph (a) of this subsection may:

41 (A) Notify a peace officer to take the person into custody and direct the officer to remove the
 42 person to a hospital or nonhospital facility approved by the Oregon [*Health Authority*] **Department**
 43 **of Health**;

44 (B) Authorize involuntary admission of, or, if already admitted, cause to be involuntarily re-
 45 tained in a nonhospital facility approved by the [*authority*] **department**, a person approved for care

1 or treatment at a nonhospital facility by a licensed independent practitioner under ORS 426.232;

2 (C) Notify an individual authorized under subsection (3) of this section to take the person into
3 custody and direct the authorized individual to remove the person in custody to a hospital or non-
4 hospital facility approved by the [authority] **department**;

5 (D) Direct an individual authorized under subsection (3) of this section to transport a person in
6 custody from a hospital or a nonhospital facility approved by the [authority] **department** to another
7 hospital or nonhospital facility approved by the [authority] **department** as provided under ORS
8 426.235; or

9 (E) Direct an individual authorized under subsection (3) of this section to transport a person in
10 custody from a facility approved by the [authority] **department** to another facility approved by the
11 [authority] **department** as provided under ORS 426.060.

12 (2) A designee under subsection (1) of this section must meet the standards established by rule
13 of the [authority] **department** and be approved by the community mental health program director
14 before assuming the [authority] **department** permitted under subsection (1) of this section.

15 (3) The community mental health program director may authorize any individual to provide
16 custody and secure transportation services for a person in custody under ORS 426.228. In author-
17 izing an individual under this subsection, the community mental health program director shall grant
18 the individual the authority to do the following:

19 (a) Accept custody from a peace officer of a person in custody under ORS 426.228;

20 (b) Take custody of a person upon notification by the community mental health program director
21 under the provisions of this section;

22 (c) Remove a person in custody to an approved hospital or nonhospital facility as directed by
23 the community mental health program director;

24 (d) Transfer a person in custody to another individual authorized under this subsection or a
25 peace officer;

26 (e) Transfer a person in custody from a hospital or nonhospital facility to another hospital fa-
27 cility or nonhospital facility when directed to do so by the community mental health program di-
28 rector; and

29 (f) Retain a person in custody at the approved hospital or nonhospital facility until a licensed
30 independent practitioner makes a determination under ORS 426.232.

31 (4) An individual authorized under subsection (3) of this section must meet the standards estab-
32 lished by rule of the [authority] **department** and be approved by the community mental health pro-
33 gram director before assuming the authority granted under this section.

34 (5) The costs of transporting a person under ORS 426.060, 426.228 or 426.235 by an individual
35 authorized under subsection (3) of this section shall be the responsibility of the community mental
36 health program in the county in which the authorized individual is directed by a peace officer or a
37 community mental health program director to take custody of a person and to transport the person
38 to a facility approved by the [authority] **department**, but the community mental health program
39 shall not be responsible for costs that exceed the amount provided by the state for that transporta-
40 tion. An individual authorized to act under subsection (3) of this section shall charge the cost of
41 emergency medical transportation to, and collect that cost from, the person, third party payers or
42 other legally or financially responsible individuals or entities in the same manner that costs for the
43 transportation of other persons are charged and collected.

44 **SECTION 631.** ORS 426.235 is amended to read:

45 426.235. (1) The community mental health program director may transfer a person in custody

1 under ORS 426.232, 426.233 or 426.237 (1)(b) to a hospital or nonhospital facility approved by the
2 Oregon [Health Authority] **Department of Health** at any time during the period of detention.

3 (2) A person in custody at a hospital may be transferred from the hospital only with the consent
4 of the licensed independent practitioner who is treating the person and when the director of a
5 nonhospital facility approved by the [authority] **department** agrees to admit the person.

6 (3) A person in custody at a nonhospital facility approved by the [authority] **department** may
7 be transferred to a hospital approved by the [authority] **department** only when a licensed inde-
8 pendent practitioner with admitting privileges agrees to admit the person.

9 (4) In transporting a person between a hospital and nonhospital facility under this section, the
10 community mental health program director has all the powers provided in ORS 133.225 and 161.255
11 and may compel the assistance of any peace officer or other authorized individual.

12 (5) When a person is transferred under this section, the community mental health program di-
13 rector shall notify immediately the court notified under ORS 426.234 (2) or (3) of the fact of the
14 transfer and of the location of the person.

15 **SECTION 632.** ORS 426.236 is amended to read:

16 426.236. The Oregon [Health Authority] **Department of Health** shall adopt rules necessary to
17 carry out the provisions of ORS 426.155 and 426.228 to 426.238.

18 **SECTION 633.** ORS 426.238 is amended to read:

19 426.238. The Oregon [Health Authority] **Department of Health** may assign classifications, as
20 defined by rule of the [authority] **department**, to facilities that provide care and treatment for per-
21 sons committed to the [authority] **department** under ORS 426.130 or provide emergency care or
22 treatment for persons pursuant to ORS 426.070, 426.228 to 426.235 or 426.237. The [authority] **de-**
23 **partment** may authorize a facility to retake custody of a person who unlawfully leaves a facility
24 as provided in ORS 426.223.

25 **SECTION 634.** ORS 426.241 is amended to read:

26 426.241. (1) The cost of emergency psychiatric care, custody and treatment related to or result-
27 ing from such psychiatric condition, provided by a hospital or other facility approved by the Oregon
28 [Health Authority] **Department of Health** and the community mental health program director of the
29 county in which the facility is located, except a state hospital, for a person alleged to have a mental
30 illness who is admitted or detained under ORS 426.070, 426.140, 426.228, 426.232 or 426.233, or for
31 a person with mental illness who is admitted or detained under ORS 426.150, 426.223, 426.273,
32 426.275 or 426.292, shall be paid by the community mental health program in the county of which
33 the person is a resident from state funds provided to the community mental health program for this
34 purpose. The community mental health program is responsible for the cost when state funds provided
35 to the community mental health program are exhausted. The hospital or other facility shall charge
36 to and collect from the person, third party payers or other legally or financially responsible indi-
37 viduals or entities the costs of the emergency care, custody and treatment, as it would for any other
38 patient, and any funds received shall be applied as an offset to the cost of the services provided
39 under this section.

40 (2) If any person is admitted to or detained in a state hospital under ORS 426.070, 426.140,
41 426.180 to 426.210, 426.228, 426.232 or 426.233 for emergency care, custody or treatment, the [au-
42 thority] **department** shall charge to and collect from the person, third party payers or other legally
43 or financially responsible individuals or entities the costs as it would for other patients of the state
44 hospitals under the provisions of ORS 179.610 to 179.770.

45 (3) If any person is adjudged to have a mental illness under the provisions of ORS 426.130, or

1 determined to be an extremely dangerous person with mental illness under ORS 426.701 or 426.702,
2 and the person receives care and treatment in a state hospital, the person, third party payers or
3 other legally or financially responsible individuals or entities shall be required to pay for the costs
4 of the hospitalization at the state hospital, as provided by ORS 179.610 to 179.770, if financially able
5 to do so.

6 (4) For purposes of this section and ORS 426.310, “resident” means resident of the county in
7 which the person maintains a current mailing address or, if the person does not maintain a current
8 mailing address within the state, the county in which the person is found, or the county in which
9 a court-committed person has been conditionally released.

10 (5)(a) The [authority] **department** may deny payment for part or all of the emergency psychiatric
11 services provided by a hospital or nonhospital facility under ORS 426.232, 426.233 or 426.237 when
12 the [authority] **department** finds, upon review, that the condition of the person alleged to have a
13 mental illness did not meet the admission criteria in ORS 426.232 (1), 426.233 (1) or 426.237 (1)(b)(A).
14 The payer responsible under this section shall make a request for denial of payment for emergency
15 psychiatric services provided under ORS 426.232, 426.233 or 426.237 in writing to the [authority]
16 **department**.

17 (b) The [authority] **department** may require the following to provide the [authority] **department**
18 with any information that the [authority] **department** determines is necessary to review a request
19 for denial of payment made under this subsection or to conduct a review of emergency psychiatric
20 services for the purpose of planning or defining [authority] **department** rules:

21 (A) A hospital or nonhospital facility approved under ORS 426.228 to 426.235 or 426.237.

22 (B) A physician or a person providing emergency psychiatric services under ORS 426.228 to
23 426.235 or 426.237.

24 (c) The [authority] **department** shall adopt rules necessary to carry out the purposes of this
25 subsection.

26 **SECTION 635.** ORS 426.250 is amended to read:

27 426.250. The following is a nonexclusive list of responsibilities for payment of various costs re-
28 lated to commitment proceedings under this chapter as described:

29 (1) Any physician or qualified professional recommended by the Oregon [Health Authority] **De-**
30 **partment of Health** who is employed under ORS 426.110 to make an examination as to the mental
31 condition of a person alleged to have a mental illness shall be allowed a fee as the court in its
32 discretion determines reasonable for the examination.

33 (2) Witnesses subpoenaed to give testimony shall receive the same fees as are paid in criminal
34 cases, and are subject to compulsory attendance in the same manner as provided in ORS 136.567 to
35 136.603. The attendance of out-of-state witnesses may be secured in the same manner as provided in
36 ORS 136.623 to 136.637. The party who subpoenas the witness or requests the court to subpoena the
37 witness is responsible for payment of the cost of the subpoena and payment for the attendance of
38 the witness at a hearing. When the witness has been subpoenaed on behalf of a person alleged to
39 have a mental illness who is represented by appointed counsel, the fees and costs allowed for that
40 witness shall be paid pursuant to ORS 135.055. If the costs of witnesses subpoenaed by the person
41 are paid as provided under this subsection, the procedure for subpoenaing witnesses shall comply
42 with ORS 136.570.

43 (3) If a person with a right to a counsel under ORS 426.100, 426.701 or 426.702 is determined to
44 be financially eligible for appointed counsel at state expense, the public defense services executive
45 director shall determine and pay, as provided in ORS 135.055, the reasonable expenses related to the

1 representation of the person and compensation for legal counsel. The expenses and compensation so
2 allowed shall be paid by the public defense services executive director from funds available for the
3 purpose.

4 (4) The [authority] **department** shall pay the costs of expenses incurred under ORS 426.100 by
5 the Attorney General's office. Any costs for district attorneys or other counsel appointed to assume
6 responsibility for presenting the state's case shall be paid by the county where the commitment
7 hearing is held, subject to reimbursement under ORS 426.310.

8 (5) All costs incurred in connection with a proceeding under ORS 426.180, 426.701 or 426.702,
9 including the costs of transportation, commitment and delivery of the person, shall be paid by the
10 community mental health program in the county of which the person is a resident. If the person is
11 not a resident of this state, then the costs incurred in connection with the proceeding shall be paid
12 by the community mental health program in the county from which the emergency admission was
13 made.

14 (6) All costs incurred in connection with a proceeding under ORS 426.180 for the commitment
15 of a person from a reservation, including the cost of transportation, commitment and delivery of the
16 person, shall be paid by the governing body of the reservation of which the person is a resident.

17 **SECTION 636.** ORS 426.273 is amended to read:

18 426.273. (1) During a period of commitment of a patient under ORS 426.130, the Oregon [Health
19 Authority] **Department of Health** may grant a trial visit to the patient for a period of time and
20 under any conditions the [authority] **department** shall establish. The [authority] **department** shall
21 only grant a trial visit under this section if the trial visit is agreed to by the community mental
22 health program director, or the designee of the director, for the county in which the person would
23 reside.

24 (2) When in the opinion of the [authority] **department**, the committed person can be appropri-
25 ately served by outpatient care during the period of commitment, the outpatient care may be re-
26 quired as a condition for trial visit for a period which, when added to the inpatient treatment period,
27 shall not exceed the period of commitment. If outpatient care is required as a condition for a trial
28 visit, the conditions shall include a designation of a facility, service or other provider to provide
29 care or treatment.

30 (3) A copy of the conditions for trial visit shall be given to all of the individuals or entities listed
31 in ORS 426.278.

32 (4) Any trial visit granted under this section is subject to the provisions under ORS 426.275.

33 (5) The director of the community mental health program, or designee, of the county in which
34 a person who is on trial visit lives while on trial visit may modify the conditions for continued trial
35 visit when such modification is in the best interest of the person. The director shall send notification
36 of such changes and the reasons for the changes to all those who received a copy of the original
37 conditions under ORS 426.278.

38 **SECTION 637.** ORS 426.275 is amended to read:

39 426.275. The following are applicable to placements of persons with mental illness that are made
40 as conditional release under ORS 426.125, outpatient commitments under ORS 426.127 or trial visits
41 under ORS 426.273 as described:

42 (1) If the individual responsible under this subsection determines that a person with mental ill-
43 ness is failing to adhere to the terms and conditions of the placement, the responsible individual
44 shall notify the court having jurisdiction that the person with mental illness is not adhering to the
45 terms and conditions of the placement. If the placement is an outpatient commitment under ORS

1 426.127 or a trial visit under ORS 426.273, the notifications shall include a copy of the conditions
 2 for the placement. The individual responsible for notifying the court under this subsection is as
 3 follows:

4 (a) For conditional releases under ORS 426.125, the guardian, relative or friend in whose care
 5 the person with mental illness is conditionally released.

6 (b) For outpatient commitments under ORS 426.127, the community mental health program di-
 7 rector, or designee of the director, of the county in which the person on outpatient commitment
 8 lives.

9 (c) For trial visits under ORS 426.273, the community mental health program director, or
 10 designee of the director, of the county in which the person on trial visit is to receive outpatient
 11 treatment.

12 (2) On its own motion, the court with jurisdiction of a person with mental illness on placement
 13 may cause the person to be brought before it for a hearing to determine whether the person is or
 14 is not adhering to the terms and conditions of the placement. The person shall have the same rights
 15 with respect to notice, detention stay, hearing and counsel as for a hearing held under ORS 426.095.
 16 The court shall hold the hearing within five judicial days of the date the person with mental illness
 17 receives notice under this section. The court may allow postponement and detention during
 18 postponement as provided under ORS 426.095.

19 (3) Pursuant to the determination of the court upon hearing under this section, a person on
 20 placement shall either continue the placement on the same or modified conditions or shall be re-
 21 turned to the Oregon [*Health Authority*] **Department of Health** for involuntary care and treatment
 22 on an inpatient basis subject to discharge at the end of the commitment period or as otherwise
 23 provided under this chapter.

24 (4) If the person on placement is living in a county other than the county of the court that es-
 25 tablished the current period of commitment under ORS 426.130 during which the trial visit, condi-
 26 tional release or outpatient commitment takes place, the court establishing the current period of
 27 commitment shall transfer jurisdiction to the appropriate court of the county in which the person
 28 is living while on the placement and the court receiving the transfer shall accept jurisdiction.

29 (5) The court may proceed as provided in ORS 426.307 or this section when the court:

30 (a) Receives notice under ORS 426.070 or 426.228 to 426.235; and

31 (b) Determines that the person is a person with mental illness on conditional release under ORS
 32 426.125, outpatient commitment under ORS 426.127 or trial visit under ORS 426.273.

33 **SECTION 638.** ORS 426.278 is amended to read:

34 426.278. The Oregon [*Health Authority*] **Department of Health** shall provide to each of the fol-
 35 lowing individuals or entities a copy of the conditions of an outpatient commitment under ORS
 36 426.127 or a trial visit under ORS 426.273:

37 (1) The committed person;

38 (2) The community mental health program director, or designee of the director, of the county in
 39 which the committed person is to receive outpatient treatment;

40 (3) The director of any facility, service or other provider designated to provide care or treat-
 41 ment;

42 (4) The court of current commitment; and

43 (5) The appropriate court of the county in which the committed person lives during the com-
 44 mitment period if the person is living in a different county than the county of the court that made
 45 the current commitment.

1 **SECTION 639.** ORS 426.292 is amended to read:

2 426.292. Nothing in this chapter and ORS 430.397 to 430.401 prohibits the Oregon [*Health Au-*
3 *thority*] **Department of Health** from releasing a person from a hospital or other facility in which
4 the person is being treated prior to the expiration of the period of commitment under ORS 426.130
5 when, in the opinion of the director of the facility or the licensed independent practitioner who is
6 treating the person, the person is no longer a person with mental illness.

7 **SECTION 640.** ORS 426.300 is amended to read:

8 426.300. (1) The Oregon [*Health Authority*] **Department of Health** shall, by filing a written
9 certificate with the last committing court and the court of residence, discharge an individual from
10 court commitment, except one held upon an order of a court or judge having criminal jurisdiction
11 in an action or proceeding arising out of criminal offense, if the [*authority*] **department** finds that
12 the individual is no longer a person with mental illness or that the transfer of the individual to a
13 voluntary status is in the individual's best interest.

14 (2) The [*authority*] **department** may sign applications for public assistance, as defined in ORS
15 411.010, medical assistance, as defined in ORS 414.025, or any other state or federal benefits on be-
16 half of those individuals who may be eligible for public assistance, medical assistance or any other
17 state or federal benefits upon discharge.

18 **SECTION 641.** ORS 426.301 is amended to read:

19 426.301. (1) At the end of the 180-day period of commitment, any person whose status has not
20 been changed to voluntary shall be released unless the Oregon [*Health Authority*] **Department of**
21 **Health** certifies to the court in the county where the treating facility is located that the person is
22 still a person with mental illness and is in need of further treatment. The [*authority*] **department**,
23 pursuant to its rules, may delegate to the director of the treating facility the responsibility for
24 making the certification. The director of the treating facility shall consult with the community
25 mental health program director of the county of residence prior to making the certification. If the
26 certification is made, the person will not be released, but the director of the treating facility shall
27 immediately issue a copy of the certification to the person and to the community mental health
28 program director of the county of residence.

29 (2) The certification shall be served upon the person by the director of the facility where the
30 person is confined or by the designee of the director. The director of the facility shall inform the
31 court in writing that service has been made and the date thereof.

32 (3) The certification shall advise the person of all the following:

33 (a) That the [*authority*] **department** or facility has requested that commitment be continued for
34 an additional period of time.

35 (b) That the person may consult with legal counsel and that legal counsel will be provided for
36 the person without cost if the person is unable to afford legal counsel.

37 (c) That the person may protest this further period of commitment within 14 days, and if the
38 person does not protest the further commitment, commitment will be continued for an indefinite
39 period of time up to 180 days.

40 (d) That if the person does protest a further period of commitment, the person is entitled to a
41 hearing before the court on whether commitment should be continued.

42 (e) That the person may protest either orally or in writing by signing the form accompanying
43 the certification.

44 (f) That the person is entitled to have a physician or other qualified professional as recom-
45 mended by the [*authority*] **department**, other than a member of the staff at the facility where the

1 person is confined, examine the person and report to the court the results of the examination.

2 (g) That the person may subpoena witnesses and offer evidence on behalf of the person at the
3 hearing.

4 (h) That if the person is without funds to retain legal counsel or an examining physician or
5 qualified professional as recommended by the [authority] **department**, the court will appoint legal
6 counsel, a physician or other qualified professional.

7 (4) Nothing in subsection (3) of this section requires the giving of the warning under ORS
8 426.123.

9 (5) When serving the certification upon the person, the [authority] **department** shall read and
10 deliver the certification to the person and ask whether the person protests a further period of
11 commitment. The person may protest further commitment either orally or by signing a simple protest
12 form to be given to the person with the certification. If the person does not protest a further period
13 of commitment within 14 days of service of the certification, the [authority] **department** or facility
14 shall so notify the court and the court shall, without further hearing, order the commitment of the
15 person for an additional indefinite period of time up to 180 days.

16 **SECTION 642.** ORS 426.303 is amended to read:

17 426.303. When the person protests a further period of commitment the Oregon [*Health*
18 *Authority*] **Department of Health** or facility designated in accordance with ORS 426.301 shall im-
19 mediately notify the court and the court shall have the person brought before it and shall again
20 advise the person that the [authority] **department** or facility has requested that commitment be
21 continued for an additional period of time and that if the person does not protest this commitment
22 the commitment will be continued for an indefinite period of time up to 180 days. The person shall
23 also be informed of the rights set forth in ORS 426.301.

24 **SECTION 643.** ORS 426.307 is amended to read:

25 426.307. If a person with mental illness requests a hearing under ORS 426.301 or if the court
26 proceeds under ORS 426.275 (5), the following provisions apply:

27 (1) The hearing shall be conducted as promptly as possible and at a time and place as the court
28 may direct.

29 (2) If the person requests a continuance in order to prepare for the hearing or to obtain legal
30 counsel to represent the person, the court may grant postponement and detention during
31 postponement as provided under ORS 426.095.

32 (3) The person has the right to representation by or appointment of counsel as provided under
33 ORS 426.100 subject to ORS 135.055, 151.216 and 151.219.

34 (4) If the person requests an examination by a physician or other qualified professional as re-
35 commended by the Oregon [*Health Authority*] **Department of Health** and is without funds to retain
36 a physician or other qualified professional for purposes of the examination, the court shall appoint
37 a physician or other qualified professional, other than a member of the staff from the facility where
38 the person is confined, to examine the person at no expense to the person and to report to the court
39 the results of the examination.

40 (5) The provisions of ORS 40.230, 40.235, 40.240 and 40.250 do not apply to the use of medical
41 records from the current period of commitment or to testimony related to such records or period
42 of commitment in connection with hearings under this section. The court may consider as evidence
43 such reports and testimony.

44 (6) The court shall then conduct a hearing and after hearing the evidence and reviewing the
45 recommendations of the treating and examining physicians or other qualified professionals, the court

1 shall determine whether the person is still a person with mental illness and is in need of further
 2 treatment. If in the opinion of the court the individual is still a person with mental illness by clear
 3 and convincing evidence and is in need of further treatment, the court may order commitment to the
 4 [authority] **department** for an additional indefinite period of time up to 180 days.

5 (7) At the end of the 180-day period, the person shall be released unless the [authority] **depart-**
 6 **ment** or facility again certifies to the committing court that the person is still a person with mental
 7 illness and is in need of further treatment, in which event the procedures set forth in ORS 426.301
 8 to 426.307 shall be followed.

9 **SECTION 644.** ORS 426.310 is amended to read:

10 426.310. (1) If a person with mental illness is a resident of some other county in this state, the
 11 county making the commitment shall be reimbursed by the county of which the person is a resident.
 12 All reasonable and actual expenses incurred and paid by the county by reason of the care, custody,
 13 treatment, investigation, examination and commitment hearing shall, upon presentation of a copy
 14 of the order of the judge making the examination and commitment, together with a properly itemized
 15 and certified claim covering the expense, be promptly paid to the county by the county of which the
 16 person was a resident. The expenses reimbursed under this subsection shall include any expenses
 17 incurred to pay for representation of the state's interest under ORS 426.100 and 426.250.

18 (2) If a person alleged to have a mental illness is a resident of some other county in this state,
 19 a county attempting a commitment shall be reimbursed by the county of which the person is a res-
 20 ident, as defined in ORS 426.241, for all actual, reasonable expenses incurred and paid by the county
 21 attempting commitment by reason of the care, custody, treatment, investigation, examination and
 22 commitment hearing. The expenses reimbursed under this subsection shall include any expenses in-
 23 curred to pay for representation of the state's interest under ORS 426.100 and 426.250.

24 (3) In the case of a county that declines to operate or contract for a community mental health
 25 program, the public agency or private corporation that contracts with the Oregon [Health
 26 Authority] **Department of Health** to provide the program, as described in ORS 430.640, is respon-
 27 sible for reimbursing a county for the costs incurred by the county in the care, custody, treatment,
 28 investigation and examination of the person.

29 **SECTION 645.** ORS 426.330 is amended to read:

30 426.330. (1) The special funds authorized for the use of the superintendent of the Oregon State
 31 Hospital to better enable the superintendent promptly to meet the advances and expenses necessary
 32 in the matter of transferring patients to the Oregon State Hospital are continued in existence. The
 33 superintendent shall present the superintendent's claims monthly, with vouchers that show the
 34 expenditures from the special funds during the preceding month, to the Oregon [Health Authority]
 35 **Department of Health** for the transfer of patients to the Oregon State Hospital.

36 (2) Against the funds appropriated to cover the cost of transporting patients, the State Treasurer
 37 shall pay the claims of the superintendent that have been approved by the Oregon [Health
 38 Authority] **Department of Health**.

39 **SECTION 646.** ORS 426.335 is amended to read:

40 426.335. The following limitations on liability are applicable to actions and proceedings within
 41 this chapter and ORS 430.397 to 430.401:

42 (1) The following individuals may not in any way be held criminally or civilly liable for the in-
 43 itiation of commitment procedures under ORS 426.070, provided the individual acts in good faith, on
 44 probable cause and without malice:

45 (a) The community mental health program director or designee of the director.

- 1 (b) The two petitioning persons.
- 2 (c) The local health officer.
- 3 (d) Any magistrate.
- 4 (e) Any peace officer or parole and probation officer.
- 5 (f) Any licensed independent practitioner attending the person alleged to have a mental illness.
- 6 (g) Any licensed independent practitioner associated with the hospital or institution where the
- 7 person alleged to have a mental illness is a patient.
- 8 (2) The community mental health program director or the designee of the director conducting
- 9 the investigation under ORS 426.070 and 426.074 shall not be held criminally or civilly liable for
- 10 conducting the investigation, provided the investigator acts in good faith, on probable cause and
- 11 without malice.
- 12 (3) The individual representing the state's interest under ORS 426.100 shall not be held
- 13 criminally or civilly liable for performing responsibilities under ORS 426.100 as long as the individ-
- 14 ual acts in good faith and without malice.
- 15 (4) An examiner appointed under ORS 426.110 may not be held criminally or civilly liable for
- 16 actions pursuant to ORS 426.120 if the examiner acts in good faith and without malice.
- 17 (5) A licensed independent practitioner, hospital or judge may not be held criminally or civilly
- 18 liable for actions pursuant to ORS 426.228, 426.231, 426.232, 426.234 or 426.235 if the licensed inde-
- 19 pendent practitioner, hospital or judge acts in good faith, on probable cause and without malice.
- 20 (6) A peace officer, individual authorized under ORS 426.233, community mental health director
- 21 or designee, hospital or other facility, licensed independent practitioner or judge may not in any
- 22 way be held criminally or civilly liable for actions pursuant to ORS 426.228 to 426.235 if the indi-
- 23 vidual or facility acts in good faith, on probable cause and without malice.
- 24 (7) Any legal guardian, relative or friend of a person with mental illness who assumes respon-
- 25 sibility for the person under a conditional release under ORS 426.125 shall not be liable for any
- 26 damages that result from the misconduct of the person while on conditional release if the legal
- 27 guardian, relative or friend acts in good faith and without malice.
- 28 (8) The individuals designated in this subsection may not be liable for personal injuries or other
- 29 damages that result from the misconduct of a person with mental illness while the person is on
- 30 outpatient commitment under ORS 426.127 if the designated individual acts without willful and
- 31 wanton neglect of duty. This subsection is applicable to all of the following:
- 32 (a) The community mental health program director and the designee of the director for the
- 33 county in which the committed person resides.
- 34 (b) The superintendent or director of any staff of any facility where the person with mental ill-
- 35 ness receives treatment during the outpatient commitment.
- 36 (c) The Director of the Oregon [*Health Authority*] **Department of Health**.
- 37 (d) The licensed independent practitioner and the facility providing care or treatment to a per-
- 38 son on outpatient commitment.
- 39 (9) For trial visits granted under ORS 426.273 and 426.275:
- 40 (a) The following individuals and entities may not be liable for a person's expenses while on trial
- 41 visit:
- 42 (A) The licensed independent practitioner and the facility providing care or treatment to a per-
- 43 son on a trial visit;
- 44 (B) The superintendent or director of the facility providing care or treatment to a person on a
- 45 trial visit;

1 (C) The Director of the Oregon [*Health Authority*] **Department of Health**; and

2 (D) The chief medical officer of the facility.

3 (b) The individuals designated in this paragraph may not be liable for damages that result from
4 the misconduct of a person with mental illness while on trial visit if the designated individual acts
5 without willful and wanton neglect of duty:

6 (A) The community mental health program director for the county in which the person resides;

7 (B) The superintendent, director or chief medical officer of any facility providing care or treat-
8 ment to a patient on a trial visit;

9 (C) The licensed independent practitioner responsible for the patient's care or treatment during
10 a trial visit;

11 (D) The Director of the Oregon [*Health Authority*] **Department of Health**; or

12 (E) The employees and agents of individuals or facilities under this paragraph.

13 **SECTION 647.** ORS 426.385 is amended to read:

14 426.385. (1) Every person with mental illness committed to the Oregon [*Health Authority*] **De-**
15 **partment of Health** shall have the right to:

16 (a) Communicate freely in person and by reasonable access to telephones;

17 (b) Send and receive sealed mail, except that this right may be limited for security reasons in
18 state institutions as described in ORS 426.010;

19 (c) Wear the clothing of the person;

20 (d) Keep personal possessions, including toilet articles;

21 (e) Religious freedom;

22 (f) A private storage area with free access thereto;

23 (g) Be furnished with a reasonable supply of writing materials and stamps;

24 (h) A written treatment plan, kept current with the progress of the person;

25 (i) Be represented by counsel whenever the substantial rights of the person may be affected;

26 (j) Petition for a writ of habeas corpus;

27 (k) Not be required to perform routine labor tasks of the facility except those essential for
28 treatment;

29 (L) Be given reasonable compensation for all work performed other than personal housekeeping
30 duties;

31 (m) Daily access to fresh air and the outdoors, except that this right may be limited when it
32 would create significant risk of harm to the person or others;

33 (n) Reasonable privacy and security in resting, sleeping, dressing, bathing, personal hygiene and
34 toileting, except that this right may be limited when it would create significant risk of harm to the
35 person or others;

36 (o) Such other rights as may be specified by rule; and

37 (p) Exercise all civil rights in the same manner and with the same effect as one not admitted
38 to the facility, including, but not limited to, the right to dispose of real property, execute instru-
39 ments, make purchases, enter contractual relationships, and vote, unless the person has been adju-
40 dicated incompetent and has not been restored to legal capacity. Disposal of personal property in
41 possession of the person in a state institution described in ORS 426.010 is subject to limitation for
42 security reasons.

43 (2)(a) A person must be immediately informed, orally and in writing, of any limitation:

44 (A) Of the right to send or receive sealed mail under subsection (1)(b) of this section;

45 (B) Regarding the disposal of personal property under subsection (1)(p) of this section;

1 (C) Of the right to reasonable privacy and security in resting, sleeping, dressing, bathing, per-
2 sonal hygiene and toileting under subsection (1)(n) of this section; and

3 (D) Of the right to daily access to fresh air and the outdoors under subsection (1)(m) of this
4 section.

5 (b) Any limitation under this subsection and the reasons for the limitation must be stated in the
6 person's written treatment plan.

7 (c) The person has the right to challenge any limitation under this subsection pursuant to rules
8 adopted by the [authority] **department**. The person must be informed, orally and in writing, of this
9 right.

10 (3) A person with mental illness committed to the [authority] **department** shall have the right
11 to be free from potentially unusual or hazardous treatment procedures, including convulsive therapy,
12 unless the person has given express and informed consent or authorized the treatment pursuant to
13 ORS 127.700 to 127.737. This right may be denied to a person for good cause as defined in admin-
14 istrative rule only by the director of the facility in which the person is confined, but only after
15 consultation with and approval of an independent examining physician. Any denial shall be entered
16 into the person's treatment record and shall include the reasons for the denial. A person with mental
17 illness may not be subjected to psychosurgery, as defined in ORS 677.190 (21)(b).

18 (4) Mechanical restraints shall not be applied to a person admitted to a facility unless it is de-
19 termined by the chief medical officer of the facility or designee to be required by the medical needs
20 of the person. Every use of a mechanical restraint and the reasons for using a mechanical restraint
21 shall be made a part of the clinical record of the person over the signature of the chief medical of-
22 ficer of the facility or designee.

23 (5) Nothing in this section prevents the [authority] **department** from acting to exclude
24 contraband from its facilities and to prevent possession or use of contraband in its facilities.

25 (6) As used in this section:

26 (a) "Contraband" has the meaning given that term in ORS 162.135.

27 (b) "Security reasons" means the protection of the person with mental illness from serious and
28 immediate harm and the protection of others from threats or harassment as defined by rule of the
29 [authority] **department**.

30 **SECTION 648.** ORS 426.395 is amended to read:

31 426.395. A simple and clear statement of rights guaranteed to patients committed to the Oregon
32 [Health Authority] **Department of Health** shall be prominently posted in each room frequented by
33 patients in all facilities housing such patients. A copy of the statement shall be given to each patient
34 upon admission and sent, upon request, to the legal counsel, guardian, relative or friend of the pa-
35 tient. The statement shall include the name, address and telephone number of the system described
36 in ORS 192.517 (1).

37 **SECTION 649.** ORS 426.415 is amended to read:

38 426.415. (1) The Director of the Oregon [Health Authority] **Department of Health** may adopt
39 rules establishing requirements and procedures for licensing persons who may order, monitor and
40 evaluate the use of restraint and seclusion in facilities providing intensive mental health treatment
41 services to individuals under 21 years of age.

42 (2) A license may not be issued or renewed under rules adopted under this section unless the
43 person applying for the license or renewal:

44 (a) Is employed by or providing services under contract with a provider that is certified by the
45 Oregon [Health Authority] **Department of Health** to provide intensive mental health treatment

1 services for individuals under 21 years of age;

2 (b) Has successfully completed an emergency safety intervention training program approved by
3 the director;

4 (c) Provides documented evidence of the person's ability to assess the psychological and physical
5 well-being of individuals under 21 years of age;

6 (d) Meets other qualifications established by the director by rule for qualified mental health
7 professionals; and

8 (e) Demonstrates knowledge of federal and state rules governing the use of restraint and seclu-
9 sion in intensive mental health treatment programs for individuals under 21 years of age.

10 (3) The rules described in subsection (1) of this section shall:

11 (a) Specify procedures for issuing and renewing licenses;

12 (b) Establish a term of licensure;

13 (c) Require a person issued a license to satisfy annual training requirements relating to emer-
14 gency safety intervention procedures;

15 (d) Specify grounds for denial, suspension or revocation of a license;

16 (e) Set any license or renewal fees the director determines are necessary; and

17 (f) Specify any other licensing provisions the director determines are necessary to comply with
18 federal law or regulations or to operate a licensing system described in this section.

19 **SECTION 650.** ORS 426.495 is amended to read:

20 426.495. (1) As used in ORS 426.490 to 426.500, unless the context requires otherwise:

21 (a) "Case manager" means a person who works on a continuing basis with a person with a
22 chronic mental illness and is responsible for assuring the continuity of the various services called
23 for in the discharge plan of the person with a chronic mental illness including services for basic
24 personal maintenance, mental and personal treatment, and appropriate education and employment.

25 (b) "Discharge plan" means a written plan prepared jointly with the person with a chronic
26 mental illness, mental health staff and case manager prior to discharge, prescribing for the basic
27 and special needs of the person upon release from the hospital.

28 (c) "Person with a chronic mental illness" means an individual who is:

29 (A) Eighteen years of age or older; and

30 (B) Diagnosed by a psychiatrist, a licensed clinical psychologist, a licensed independent practi-
31 tioner as defined in ORS 426.005 or a nonmedical examiner certified by the Oregon [*Health*
32 *Authority*] **Department of Health** or the Department of Human Services as having chronic
33 schizophrenia, a chronic major affective disorder, a chronic paranoid disorder or another chronic
34 psychotic mental disorder other than those caused by substance abuse.

35 (2) For purposes of providing services in the community, the [*authority*] **Oregon Department**
36 **of Health** may adopt rules consistent with accepted professional practices in the fields of psychol-
37 ogy and psychiatry to specify other criteria for determining who is a person with a chronic mental
38 illness.

39 **SECTION 651.** ORS 426.500 is amended to read:

40 426.500. For the purpose of carrying out the policy and intent of ORS 426.490 to 426.500, the
41 Oregon [*Health Authority*] **Department of Health** shall:

42 (1) Adopt rules for the administration of ORS 426.490 to 426.500;

43 (2) Prepare a written discharge plan for each person with a chronic mental illness who is a
44 patient at a state hospital or who is committed to the [*authority*] **department** pursuant to ORS
45 426.005 to 426.223 and 426.241 to 426.380;

1 (3) Ensure that case managers are provided for each person with a chronic mental illness de-
2 scribed in subsection (2) of this section; and

3 (4) Disburse from any available funds:

4 (a) Funds for one LINC model in the area served by F. H. Dammasch State Hospital and one
5 LINC model in the area served by the Oregon State Hospital licensed under ORS 443.415;

6 (b) Discretionary funds for services necessary to implement a discharge plan, including but not
7 limited to transportation, medication, recreation and socialization; and

8 (c) Funds to provide day treatment services, community psychiatric inpatient services, and work
9 activity services for persons with chronic mental illness when needed.

10 **SECTION 652.** ORS 426.502 is amended to read:

11 426.502. As used in ORS 426.502 to 426.508:

12 [(1) "Authority" means the Oregon Health Authority.]

13 [(2)] (1) "Community housing" means property and related equipment that are used or could be
14 used to house persons with chronic mental illness and their care providers. "Community housing"
15 includes single-family housing and multiple-unit residential housing.

16 [(3)] (2) "Construct" means to build, install, assemble, expand, alter, convert, replace or relocate.
17 "Construct" includes to install equipment and to prepare a site.

18 [(4)] (3) "Equipment" means furnishings, fixtures or appliances that are used or could be used
19 to provide care in community housing.

20 [(5)] (4) "Multiple-unit residential housing" means housing that provides two or more living units
21 and spaces for common use by the occupants in social and recreational activities. "Multiple-unit
22 residential housing" may include nonhousing facilities incidental or appurtenant to the housing that,
23 in the determination of the [authority] **Oregon Department of Health**, improve the quality of the
24 housing.

25 [(6)] (5) "Person with a chronic mental illness" has the meaning given that term in ORS 426.495.

26 [(7)] (6) "Single-family housing" means a detached living unit with common living room and
27 dining facilities for at least three occupants with chronic mental illness. "Single-family housing" may
28 include nonhousing facilities incidental or appurtenant to the housing that, in the determination of
29 the [authority] **department**, improve the quality of the housing.

30 **SECTION 653.** ORS 426.504 is amended to read:

31 426.504. (1) The Oregon [Health Authority] **Department of Health** may, through contract or
32 otherwise, acquire, purchase, receive, hold, exchange, demolish, construct, lease, maintain, repair,
33 replace, improve and equip community housing for the purpose of housing persons with chronic
34 mental illness.

35 (2) The [authority] **department** may dispose of community housing acquired under subsection (1)
36 of this section in a public or private sale, upon such terms and conditions as the [authority] **de-**
37 **partment** considers advisable to increase the quality and quantity of community housing available
38 for persons with chronic mental illness. Except as provided in subsection (3) of this section, in any
39 instrument conveying fee title to community housing, the [authority] **department** shall include lan-
40 guage that restricts the use of the community housing to housing for persons with chronic mental
41 illness. Such restriction is not a violation of ORS 93.270.

42 (3) If the [authority] **department** determines that community housing acquired under subsection
43 (1) of this section is no longer suitable for use as community housing, the [authority] **department**
44 may sell or otherwise dispose of the community housing without including in any instrument con-
45 veying fee title to the community housing any language that restricts the use of the community

1 housing. Proceeds from the sale or disposition of community housing under this subsection are con-
2 sidered proceeds described in ORS 426.506 (4)(c).

3 (4) When exercising the power granted to the [authority] **department** under this section, the
4 [authority] **department** is not subject to ORS chapter 273 or ORS 270.100 to 270.190, 276.900 to
5 276.915 or 279A.250 to 279A.290.

6 **SECTION 654.** ORS 426.506 is amended to read:

7 426.506. (1) There is created in the State Treasury, separate and distinct from the General Fund,
8 the Community Mental Health Housing Fund. All earnings on investments of moneys in the Com-
9 munity Mental Health Housing Fund shall accrue to the fund. Interest earned on moneys in the
10 fund shall be credited to the fund. All moneys in the fund are continuously appropriated to the
11 Oregon [Health Authority] **Department of Health** to carry out the provisions of ORS 426.504.

12 (2) The Community Mental Health Housing Fund shall be administered by the [authority] **de-**
13 **partment** to provide housing for persons with chronic mental illness. As used in this subsection,
14 "housing" may include acquisition, maintenance, repair, furnishings and equipment.

15 (3)(a) There is established within the Community Mental Health Housing Fund a Community
16 Housing Trust Account. With approval of the State Treasurer and upon request of the Director of
17 the Oregon [Health Authority] **Department of Health**, moneys in the account may be invested as
18 provided in ORS 293.701 to 293.857.

19 (b) Notwithstanding the provisions of ORS 270.150, the [authority] **department** shall deposit into
20 the Community Housing Trust Account the proceeds, less costs to the state, received by the [au-
21 thority] **department** from the sale of F. H. Dammasch State Hospital property under ORS 426.508.
22 The [authority] **department** may expend, for the purposes set forth in ORS 426.504, any earnings
23 credited to the account, including any interest earned on moneys deposited in the account, and up
24 to five percent of the sale proceeds initially credited to the account by the Oregon Department of
25 Administrative Services. At least 95 percent of the sale proceeds shall remain in the account in
26 perpetuity. Proceeds deposited in the account may not be commingled with proceeds from the sale
27 of any surplus real property owned, operated or controlled by the [authority] **Oregon Department**
28 **of Health** and used as a state training center.

29 (c) Interest earned on moneys in the Community Housing Trust Account may be expended in the
30 following manner:

31 (A) Seventy percent of interest earned on deposits in the account shall be expended for com-
32 munity housing purposes; and

33 (B) Thirty percent of interest earned on deposits in the account shall be expended for institu-
34 tional housing purposes.

35 (d) Interest earned on deposits in the Community Housing Trust Account shall not be used to
36 support operating expenses of the [authority] **department**.

37 (4) The Community Mental Health Housing Fund shall consist of:

38 (a) Moneys appropriated to the fund by the Legislative Assembly;

39 (b) Sale proceeds and earnings from the account under subsection (3) of this section;

40 (c) Proceeds from the sale, transfer or lease of any surplus real property owned, operated or
41 controlled by the [authority] **department** and used as community housing;

42 (d) Moneys reallocated from other areas of the [authority's] **department's** budget;

43 (e) Interest and earnings credited to the fund; and

44 (f) Gifts of money or other property from any source, to be used for the purposes of developing
45 housing for persons with chronic mental illness.

1 (5) The [authority] **department** shall adopt policies:

2 (a) To establish priorities for the use of moneys in the Community Mental Health Housing Fund
3 for the sole purpose of developing housing for persons with chronic mental illness;

4 (b) To match public and private moneys available from other sources for developing housing for
5 persons with chronic mental illness; and

6 (c) To administer the fund in a manner that will not exceed the State Treasury's maximum cost
7 per transaction.

8 (6) The [authority] **department** shall collaborate with the Housing and Community Services
9 Department to ensure the highest return and best value for community housing from the Community
10 Mental Health Housing Fund.

11 (7) The [authority] **Oregon Department of Health** shall provide a report of revenues to and
12 expenditures from the Community Mental Health Housing Fund as part of its budget submission to
13 the Governor and Legislative Assembly under ORS chapter 291.

14 **SECTION 655.** ORS 426.508 is amended to read:

15 426.508. (1) Notwithstanding ORS 421.611 to 421.630 or any actions taken under ORS 421.611 to
16 421.630, the Department of Corrections shall transfer the real property known as the F. H.
17 Dammasch State Hospital and all improvements to the Oregon Department of Administrative Ser-
18 vices to be sold for the benefit of the Oregon [Health Authority] **Department of Health**.

19 (2)(a) Notwithstanding ORS 270.100 to 270.190, and except as provided in subsection (4) of this
20 section, the Oregon Department of Administrative Services shall sell or otherwise convey the real
21 property known as the F. H. Dammasch State Hospital in a manner consistent with the provisions
22 of this section. Conveyance shall not include transfer to a state agency. The sale price of the real
23 property shall equal or exceed the fair market value of the real property. The Oregon Department
24 of Administrative Services shall engage the services of a licensed real estate broker or principal real
25 estate broker to facilitate the sale of the real property.

26 (b) The Oregon Department of Administrative Services shall retain from the sale or other
27 conveyance of the real property those costs incurred by the state in selling or conveying the real
28 property, including costs incurred by the Department of Corrections in transferring the real prop-
29 erty to the Oregon Department of Administrative Services. The remaining proceeds from the sale
30 or other conveyance shall be transferred to the Community Housing Trust Account created under
31 ORS 426.506 (3).

32 (3) Redevelopment of the real property formerly occupied by the F. H. Dammasch State Hospital
33 shall be consistent with the Dammasch Area Transportation Efficient Land Use Plan developed by
34 Clackamas County, the City of Wilsonville, the Oregon Department of Administrative Services, the
35 Department of Land Conservation and Development, the Department of Transportation, the Oregon
36 Housing Stability Council, the Oregon [Health Authority] **Department of Health** and the Depart-
37 ment of State Lands.

38 (4) The Oregon Department of Administrative Services shall reserve from the sale of the real
39 property under subsection (2) of this section not more than 10 acres. The real property reserved
40 from sale shall be transferred to the Oregon [Health Authority] **Department of Health** for use by
41 the [authority] **department** to develop community housing for persons with chronic mental illness.
42 The [department and the authority] **Oregon Department of Administrative Services and the**
43 **Oregon Department of Health** shall jointly coordinate with the City of Wilsonville to identify the
44 real property reserved from sale under this subsection.

45 **SECTION 656.** ORS 426.650 is amended to read:

1 426.650. (1) Pursuant to rules promulgated by the Oregon [*Health Authority*] **Department of**
2 **Health**, the superintendent of any state hospital for the treatment and care of persons with mental
3 illness may admit and hospitalize therein as a patient any person in need of medical or mental
4 therapeutic treatment as a sexually dangerous person who voluntarily has made written application
5 for such admission. No person under the age of 18 years shall be admitted as a patient to any such
6 state hospital unless an application therefor in behalf of the person has been executed by the parent,
7 adult next of kin or legal guardian of the person. Pursuant to rules and regulations of the
8 [*authority*] **department**, no person voluntarily admitted to any state hospital shall be detained
9 therein more than 72 hours after the person, if at least 18 years of age, has given notice in writing
10 of desire to be discharged therefrom, or, if the patient is under the age of 18 years, after notice in
11 writing has been given by the parent, adult next of kin or legal guardian of the person that such
12 parent, adult next of kin or legal guardian desires that such person be discharged therefrom.

13 (2) Any person voluntarily admitted to a state facility pursuant to this section may upon appli-
14 cation and notice to the superintendent of the institution concerned, be granted a temporary leave
15 of absence from the institution if such leave, in the opinion of the chief medical officer, will not
16 interfere with the successful treatment or examination of the applicant.

17 **SECTION 657.** ORS 426.670 is amended to read:

18 426.670. The Oregon [*Health Authority*] **Department of Health** hereby is directed and author-
19 ized to establish and operate treatment programs, either separately within an existing state De-
20 partment of Corrections institution, as part of an existing program within an Oregon [*Health*
21 *Authority*] **Department of Health** institution, or in specified and approved sites in the community
22 to receive, treat, study and retain in custody, as required, such sexually dangerous persons as are
23 committed under ORS 426.510 to 426.670.

24 **SECTION 658.** ORS 426.675 is amended to read:

25 426.675. (1) When a defendant has been convicted of a sexual offense under ORS 163.305 to
26 163.467 or 163.525 and there is probable cause to believe the defendant is a sexually dangerous
27 person, the court prior to imposing sentence may continue the time for sentencing and commit the
28 defendant to a facility designated under ORS 426.670 for a period not to exceed 30 days for evalu-
29 ation and report.

30 (2) If the facility reports to the court that the defendant is a sexually dangerous person and that
31 treatment available may reduce the risk of future sexual offenses, the court shall hold a hearing to
32 determine by clear and convincing evidence that the defendant is a sexually dangerous person. The
33 state and the defendant shall have the right to call and cross-examine witnesses at such hearing.
34 The defendant may waive the hearing required by this subsection.

35 (3) If the court finds that the defendant is a sexually dangerous person and that treatment is
36 available which will reduce the risk of future sexual offenses, it may, in its discretion at the time
37 of sentencing:

38 (a) Sentence the defendant to probation on the condition that the person participate in and
39 successfully complete a treatment program for sexually dangerous persons pursuant to ORS 426.670;

40 (b) Impose a sentence of imprisonment with the order that the defendant be assigned by the
41 Director of the Department of Corrections to participate in a treatment program for sexually dan-
42 gerous persons pursuant to ORS 426.670. The Department of Corrections and the Oregon [*Health*
43 *Authority*] **Department of Health** shall jointly adopt administrative rules to coordinate assignment
44 and treatment of prisoners under this subsection; or

45 (c) Impose any other sentence authorized by law.

1 **SECTION 659.** ORS 428.210 is amended to read:

2 428.210. As used in ORS 428.210 to 428.270:

3 [(1) “Authority” means the Oregon Health Authority.]

4 [(2)] (1) “Department” means the Department of Human Services.

5 [(3)] (2) “Facility” has the meaning given that term in ORS 427.005.

6 [(4)] (3) “Foreign hospital” means an institution in any other state that corresponds to a state
7 hospital.

8 [(5)] (4) “Nonresident” means any person who is not a resident of this state.

9 [(6)] (5) “Other state” includes all the states, territories, possessions, commonwealths and
10 agencies of the United States and the District of Columbia, with the exception of the State of
11 Oregon.

12 [(7)] (6) “Patient” means any person who has been committed by a court of competent jurisdic-
13 tion to a facility pursuant to ORS 427.235 to 427.290 or to a state hospital, except a person com-
14 mitted to a state hospital pursuant to ORS 161.341 or 161.370.

15 [(8)] (7) “Resident of this state” means a person who resides in this state and who has not ac-
16 quired legal residence in any other state. However, a service man or woman on active duty in the
17 Armed Forces of the United States who was domiciled in Oregon upon entry into active duty and
18 who has acquired no other domicile shall be entitled to have his or her child considered a resident
19 of this state so long as no other domicile is acquired by the service man or woman.

20 [(9)] (8) “State hospital” means any institution listed in ORS 426.010.

21 **SECTION 660.** ORS 428.220 is amended to read:

22 428.220. (1) In determining whether or not any person committed by a court of competent jurisdic-
23 tion to a state hospital, foreign hospital or facility is a resident of this state:

24 (a) The time spent in a state hospital or foreign hospital or on parole from a state hospital or
25 foreign hospital, or in a facility shall not be counted in determining the residence of such person in
26 this or any other state.

27 (b) The residence of such person at the time of commitment shall remain the residence of the
28 person for the duration of the commitment of the person.

29 (2) The Department of Human Services may give written authorization for the admission to a
30 facility whenever:

31 (a) The residence of any person cannot be established after reasonable and diligent investigation
32 and effort.

33 (b) The peculiar circumstances of a case, in the judgment of the department, provide a sufficient
34 reason for the suspension of the residence requirement provided by ORS 428.210 [(8)] (7).

35 (3) The Oregon [*Health Authority*] **Department of Health** may give written authorization for the
36 admission to the Oregon State Hospital whenever:

37 (a) The residence of any person cannot be established after reasonable and diligent investigation
38 and effort.

39 (b) The peculiar circumstances of a case, in the judgment of the [*authority*] **Oregon Department**
40 **of Health**, provide a sufficient reason for the suspension of the residence requirement provided by
41 ORS 428.210 [(8)] (7).

42 **SECTION 661.** ORS 428.230 is amended to read:

43 428.230. (1) Except as provided in ORS 428.205, 428.220 and 428.330, the Department of Human
44 Services and the Oregon [*Health Authority*] **Department of Health** shall return nonresident patients
45 to any other state in which they may have legal residence.

1 (2) The Department of **Human Services** may give written authorization for the return to a fa-
 2 cility of a resident of Oregon who has been committed by a court of competent jurisdiction to a
 3 foreign hospital.

4 (3) The facility shall admit and care for any person eligible for admission pursuant to subsection
 5 (2) of this section or ORS 428.220 (2) upon receipt of a certified copy of the commitment papers and
 6 the written authorization of the department.

7 (4) The [*authority*] **Oregon Department of Health** may give written authorization for the return
 8 to the Oregon State Hospital of a resident of Oregon who has been committed by a court of com-
 9 petent jurisdiction to a foreign hospital.

10 (5) The superintendent of the Oregon State Hospital shall admit and care for any person eligible
 11 for admission pursuant to subsection (4) of this section or ORS 428.220 (3) upon receipt of a certified
 12 copy of the commitment papers and the written authorization of the [*authority*] **Oregon Department**
 13 **of Health**.

14 **SECTION 662.** ORS 428.240 is amended to read:

15 428.240. (1) For the purpose of facilitating the return of nonresident patients, the Department
 16 of Human Services may enter into a reciprocal agreement with any other state for the mutual ex-
 17 change of persons committed by a court of competent jurisdiction to a facility pursuant to ORS
 18 427.235 to 427.290 or to a foreign hospital, whose legal residence is in the other's jurisdiction.

19 (2) For the purpose of facilitating the return of nonresident patients, the Oregon [*Health Au-*
 20 *thority*] **Department of Health** may enter into a reciprocal agreement with any other state for the
 21 mutual exchange of persons committed by a court of competent jurisdiction to the Oregon State
 22 Hospital or a foreign hospital, whose legal residence is in the other's jurisdiction.

23 (3) In such agreements, the [*department or authority*] **Department of Human Services or the**
 24 **Oregon Department of Health** may:

25 (a) Only for purposes of mutual exchange with the other state, vary the period of residence re-
 26 quired by ORS 428.210 [(8)] (7).

27 (b) Provide for the arbitration of disputes arising out of the mutual exchange of such persons
 28 between this state and any other state.

29 **SECTION 663.** ORS 428.260 is amended to read:

30 428.260. (1) For the purpose of carrying out the provisions of ORS 428.210 to 428.270, the De-
 31 partment of Human Services or the Oregon [*Health Authority*] **Department of Health** may employ
 32 all help necessary in arranging for and transporting nonresident patients.

33 (2) The cost and expense of providing such assistance and all expenses incurred in effecting the
 34 transportation of such patients shall be paid from funds appropriated for that purpose upon vouchers
 35 approved by the [*department, the authority*] **Department of Human Services, the Oregon De-**
 36 **partment of Health** or the superintendent of the Oregon State Hospital.

37 **SECTION 664.** ORS 428.270 is amended to read:

38 428.270. (1) Any person, except an officer, agent or employee of a common carrier acting in the
 39 line of duty, who brings or in any way aids in bringing into this state any patient without the
 40 written authorization of the Department of Human Services or the Oregon [*Health Authority*] **De-**
 41 **partment of Health**, shall be liable to this state for all expenses incurred in the care of such pa-
 42 tient and in the transportation of such patient to the other state where the patient legally resides.

43 (2) Hospitals, other than state hospitals, that care for and treat persons with mental illness shall
 44 be responsible for the return of those persons to their places of residence or domicile outside the
 45 state if they are brought into this state for treatment and care and are discharged from such insti-

1 tutions without being fully recovered.

2 (3) Failure to comply with the provisions of subsection (2) of this section shall render the person
 3 operating the hospital liable to reimburse the state for all expenses incurred in the care, mainte-
 4 nance and return of the persons with mental illness to their places of residence or domicile outside
 5 the state.

6 **SECTION 665.** ORS 428.310 is amended to read:

7 428.310. The Department of Human Services or the Oregon [*Health Authority*] **Department of**
 8 **Health** may execute and terminate a compact on behalf of the State of Oregon with any state, ter-
 9 ritory or possession of the United States, the District of Columbia and the Commonwealth of Puerto
 10 Rico joining therein, in the form substantially as follows:

11 _____
 12
 13 The contracting states solemnly agree that:

14 ARTICLE I

15 The party states find that the proper and expeditious treatment of persons with mental illness
 16 or intellectual disabilities can be facilitated by cooperative action, to the benefit of the patients,
 17 their families, and society as a whole. Further, the party states find that the necessity of and de-
 18 sirability for furnishing such care and treatment bears no primary relation to the residence or citi-
 19 zenship of the patient but that, on the contrary, the controlling factors of community safety and
 20 humanitarianism require that facilities and services be made available for all who are in need of
 21 them. Consequently, it is the purpose of this compact and of the party states to provide the neces-
 22 sary legal basis for the institutionalization or other appropriate care and treatment of persons with
 23 mental illness or intellectual disabilities under a system that recognizes the paramount importance
 24 of patient welfare and to establish the responsibilities of the party states in terms of such welfare.

25 ARTICLE II

26 As used in this compact:

27 (a) "Sending state" shall mean a party state from which a patient is transported pursuant to the
 28 provisions of the compact or from which it is contemplated that a patient may be so sent.

29 (b) "Receiving state" shall mean a party state to which a patient is transported pursuant to the
 30 provisions of the compact or to which it is contemplated that a patient may be so sent.

31 (c) "Institution" shall mean any hospital or other facility maintained by a party state or political
 32 subdivision thereof for the care and treatment of mental illness or intellectual disabilities.

33 (d) "Patient" shall mean any person subject to or eligible as determined by the laws of the
 34 sending state, for institutionalization or other care, treatment or supervision pursuant to the pro-
 35 visions of this compact.

36 (e) "After-care" shall mean care, treatment and services provided a patient, as defined herein,
 37 on convalescent status or conditional release.

38 (f) "Mental illness" shall mean mental disease to such extent that a person so afflicted requires
 39 care and treatment for his own welfare, or the welfare of others, or of the community.

40 (g) "Intellectual disability" shall mean intellectual disability as defined by appropriate clinical
 41 authorities to such extent that a person so afflicted is incapable of managing himself and his affairs,
 42 but shall not include mental illness as defined herein.

43 (h) "State" shall mean any state, territory or possession of the United States, the District of
 44 Columbia and the Commonwealth of Puerto Rico.

45 ARTICLE III

1 (a) Whenever a person physically present in any party state shall be in need of
 2 institutionalization by reason of mental illness or intellectual disability, the person shall be eligible
 3 for care and treatment in an institution in that state irrespective of the residence, settlement or
 4 citizenship qualifications of the person.

5 (b) The provisions of paragraph (a) of this article to the contrary notwithstanding, any patient
 6 may be transferred to an institution in another state whenever there are factors based upon clinical
 7 determinations indicating that the care and treatment of said patient would be facilitated or im-
 8 proved thereby. Any such institutionalization may be for the entire period of care and treatment or
 9 for any portion or portions thereof. The factors referred to in this paragraph shall include the
 10 patient's full record with due regard for the location of the patient's family, character of the illness
 11 and probable duration thereof, and such other factors as shall be considered appropriate.

12 (c) No state shall be obliged to receive any patient pursuant to the provisions of paragraph (b)
 13 of this article unless the sending state has given advance notice of its intention to send the patient;
 14 furnished all available medical and other pertinent records concerning the patient; given the quali-
 15 fied medical or other appropriate clinical authorities of the receiving state an opportunity to ex-
 16 amine the patient if said authorities so wish; and unless the receiving state shall agree to accept
 17 the patient.

18 (d) In the event that the laws of the receiving state establish a system of priorities for the ad-
 19 mission of patients, an interstate patient under this compact shall receive the same priority as a
 20 local patient and shall be taken in the same order and at the same time that the patient would be
 21 taken if the patient were a local patient.

22 (e) Pursuant to this compact, the determination as to the suitable place of institutionalization
 23 for a patient may be reviewed at any time and such further transfer of the patient may be made as
 24 seems likely to be in the best interest of the patient.

25 ARTICLE IV

26 (a) Whenever, pursuant to the laws of the state in which a patient is physically present, it shall
 27 be determined that the patient should receive after-care or supervision, such care or supervision
 28 may be provided in a receiving state. If the medical or other appropriate clinical authorities having
 29 responsibility for the care and treatment of the patient in the sending state shall have reason to
 30 believe that after-care in another state would be in the best interest of the patient and would not
 31 jeopardize the public safety, they shall request the appropriate authorities in the receiving state to
 32 investigate the desirability of affording the patient such after-care in said receiving state, and such
 33 investigation shall be made with all reasonable speed. The request for investigation shall be ac-
 34 companied by complete information concerning the patient's intended place of residence and the
 35 identity of the person in whose charge it is proposed to place the patient, the complete medical
 36 history of the patient, and such other documents as may be pertinent.

37 (b) If the medical or other appropriate clinical authorities having responsibility for the care and
 38 treatment of the patient in the sending state and the appropriate authorities in the receiving state
 39 find that the best interest of the patient would be served thereby, and if the public safety would not
 40 be jeopardized thereby, the patient may receive after-care or supervision in the receiving state.

41 (c) In supervising, treating or caring for a patient on after-care pursuant to the terms of this
 42 article, a receiving state shall employ the same standards of visitation, examination, care and
 43 treatment that it employs for similar local patients.

44 ARTICLE V

45 Whenever a dangerous or potentially dangerous patient escapes from an institution in any party

1 state, that state shall promptly notify all appropriate authorities within and without the jurisdiction
2 of the escape in a manner reasonably calculated to facilitate the speedy apprehension of the escapee.
3 Immediately upon the apprehension and identification of any such dangerous or potentially danger-
4 ous patient, the patient shall be detained in the state where found pending disposition in accordance
5 with law.

6 ARTICLE VI

7 The duly accredited officers of any state party to this compact, upon the establishment of their
8 authority and the identity of the patient, shall be permitted to transport any patient being moved
9 pursuant to this compact through any and all states party to this compact, without interference.

10 ARTICLE VII

11 (a) No person shall be deemed a patient of more than one institution at any given time. Com-
12 pletion of transfer of any patient to an institution in a receiving state shall have the effect of mak-
13 ing the person a patient of the institution in the receiving state.

14 (b) The sending state shall pay all costs of and incidental to the transportation of any patient
15 pursuant to this compact, but any two or more party states may, by making a specific agreement for
16 that purpose, arrange for a different allocation of costs as among themselves.

17 (c) No provision of this compact shall be construed to alter or affect any internal relationships
18 among the departments, agencies and officers of and in the government of a party state, or between
19 a party state and its subdivisions, as to the payment of costs, or responsibilities therefor.

20 (d) Nothing in this compact shall be construed to prevent any party state or subdivision thereof
21 from asserting any right against any person, agency or other entity in regard to costs for which
22 such party state or subdivision thereof may be responsible pursuant to any provision of this com-
23 pact.

24 (e) Nothing in this compact shall be construed to invalidate any reciprocal agreement between
25 a party state and a nonparty state relating to institutionalization, care or treatment of persons with
26 mental illness or intellectual disabilities, or any statutory authority pursuant to which such agree-
27 ments may be made.

28 ARTICLE VIII

29 (a) Nothing in this compact shall be construed to abridge, diminish, or in any way impair the
30 rights, duties and responsibilities of any patient's guardian on the guardian's own behalf or in re-
31 spect of any patient for whom the guardian may serve, except that where the transfer of any patient
32 to another jurisdiction makes advisable the appointment of a supplemental or substitute guardian,
33 any court of competent jurisdiction in the receiving state may make such supplemental or substitute
34 appointment and the court which appointed the previous guardian shall upon being duly advised of
35 the new appointment, and upon the satisfactory completion of such accounting and other acts as
36 such court may by law require, relieve the previous guardian of power and responsibility to what-
37 ever extent shall be appropriate in the circumstances; provided, however, that in the case of any
38 patient having settlement in the sending state, the court of competent jurisdiction in the sending
39 state shall have the sole discretion to relieve a guardian appointed by it or continue the power and
40 responsibility of the guardian, whichever it shall deem advisable. The court in the receiving state
41 may, in its discretion, confirm or reappoint the person or persons previously serving as guardian in
42 the sending state in lieu of making a supplemental or substitute appointment.

43 (b) The term "guardian" as used in paragraph (a) of this article shall include any guardian,
44 trustee, legal committee, conservator or other person or agency however denominated who is
45 charged by law with responsibility for the property of a patient.

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ARTICLE IX

(a) No provision of this compact except Article V shall apply to any person institutionalized while under sentence in a penal or correctional institution or while subject to trial on a criminal charge, or whose institutionalization is due to the commission of an offense for which, in the absence of mental illness or intellectual disability, said person would be subject to incarceration in a penal or correctional institution.

(b) To every extent possible, it shall be the policy of states party to this compact that no patient shall be placed or detained in any prison, jail or lockup, but such patient shall, with all expedition, be taken to a suitable institutional facility for mental illness or intellectual disability.

ARTICLE X

(a) Each party state shall appoint a “compact administrator” who, on behalf of the state of the compact administrator, shall act as general coordinator of activities under the compact in the state of the compact administrator and who shall receive copies of all reports, correspondence, and other documents relating to any patient processed under the compact by the state of the compact administrator either in the capacity of sending or receiving state. The compact administrator or the duly designated representative of the compact administrator shall be the official with whom other party states shall deal in any matter relating to the compact or any patient processed thereunder.

(b) The compact administrators of the respective party states shall have power to promulgate reasonable rules and regulations to carry out more effectively the terms and provisions of this compact.

ARTICLE XI

The duly constituted administrative authorities of any two or more party states may enter into supplementary agreements for the provision of any service or facility or for the maintenance of any institution on a joint or cooperative basis whenever the states concerned shall find that such agreements will improve services, facilities, or institutional care and treatment in the fields of mental illness or intellectual disability. No such supplementary agreement shall be construed so as to relieve any party state of any obligation which it otherwise would have under other provisions of this compact.

ARTICLE XII

This compact shall enter into full force and effect as to any state when entered into according to law and such state shall thereafter be a party thereto with any and all states legally joining therein.

ARTICLE XIII

(a) A state party to this compact may withdraw therefrom as provided by law and such renunciation shall be by the same authority which executed it. Such withdrawal shall take effect one year after notice thereof has been communicated officially and in writing to the governors and compact administrators of all other party states. However, the withdrawal of any state shall not change the status of any patient who has been sent to said state or sent out of said state pursuant to the provisions of the compact.

(b) Withdrawal from any agreement permitted by Article VII (b) as to costs or from any supplementary agreement made pursuant to Article XI shall be in accordance with the terms of such agreement.

ARTICLE XIV

This compact shall be liberally construed so as to effectuate the purposes thereof. The provisions of this compact shall be severable and if any phrase, clause, sentence or provision of this

1 compact is declared to be contrary to the constitution of any party state or of the United States or
 2 the applicability thereof to any government, agency, person or circumstance is held invalid, the va-
 3 lidity of the remainder of this compact and the applicability thereof to any government, agency,
 4 person or circumstance shall not be affected thereby. If this compact shall be held contrary to the
 5 constitution of any state party thereto, the compact shall remain in full force and effect as to the
 6 remaining states and in full force and effect as to the state affected as to all severable matters.

7
 8
 9 **SECTION 666.** ORS 428.320 is amended to read:

10 428.320. (1) When the person who is the subject of the Interstate Compact on Mental Health is
 11 being transported to or from a facility, the Department of Human Services shall carry out the duties
 12 of compact administrator, may adopt rules to carry out more effectively the terms of the compact,
 13 and may enter into supplementary agreements with appropriate officials of other states pursuant to
 14 Articles VII and XI of the compact. The power of termination of the compact formerly vested in the
 15 Board of Control under ORS 428.310 is vested in the department.

16 (2) When the person who is the subject of the compact is being transported to or from the
 17 Oregon State Hospital, the Oregon [*Health Authority*] **Department of Health** shall carry out the
 18 duties of compact administrator, may adopt rules to carry out more effectively the terms of the
 19 compact, and may enter into supplementary agreements with appropriate officials of other states
 20 pursuant to Articles VII and XI of the compact. The power of termination of the compact formerly
 21 vested in the Board of Control under ORS 428.310 is vested in the [*authority*] **Oregon Department**
 22 **of Health.**

23 **SECTION 667.** ORS 428.330 is amended to read:

24 428.330. (1) The Department of Human Services or the Oregon [*Health Authority*] **Department**
 25 **of Health** may comply with the terms of the Interstate Compact on Mental Health in dealing with
 26 a state which is not a party of the interstate compact.

27 (2) When the [*department or the authority*] **Department of Human Services or the Oregon**
 28 **Department of Health** acts under subsection (1) of this section, the term “party state,” as used in
 29 the Interstate Compact on Mental Health, includes states which are not parties of the interstate
 30 compact.

31 **SECTION 668.** ORS 430.021 is amended to read:

32 430.021. Subject to ORS 417.300 and 417.305:

33 (1) The Department of Human Services shall directly or through contracts with private entities,
 34 counties under ORS 430.620 or other public entities:

35 (a) Direct, promote, correlate and coordinate all the activities, duties and direct services for
 36 persons with developmental disabilities.

37 (b) Promote, correlate and coordinate the developmental disabilities activities of all govern-
 38 mental organizations throughout the state in which there is any direct contact with developmental
 39 disabilities programs.

40 (c) Establish, coordinate, assist and direct a community developmental disabilities program in
 41 cooperation with local government units and integrate such a program with the state developmental
 42 disabilities program.

43 (d) Promote public education in this state concerning developmental disabilities and act as the
 44 liaison center for work with all interested public and private groups and agencies in the field of
 45 developmental disabilities services.

1 (2) The Oregon [*Health Authority*] **Department of Health** shall directly or by contract with
 2 private or public entities:

3 (a) Direct, promote, correlate and coordinate all the activities, duties and direct services for
 4 persons with mental or emotional disturbances, alcoholism or drug dependence.

5 (b) Promote, correlate and coordinate the mental health activities of all governmental organ-
 6 izations throughout the state in which there is any direct contact with mental health programs.

7 (c) Establish, coordinate, assist and direct a community mental health program in cooperation
 8 with local government units and integrate such a program with the state mental health program.

9 (d) Promote public education in this state concerning mental health and act as the liaison center
 10 for work with all interested public and private groups and agencies in the field of mental health
 11 services.

12 (3) The Department [*and the authority*] of **Human Services and the Oregon Department of**
 13 **Health** shall develop cooperative programs with interested private groups throughout the state to
 14 effect better community awareness and action in the fields of mental health and developmental dis-
 15 abilities, and encourage and assist in all necessary ways community general hospitals to establish
 16 psychiatric services.

17 (4) To the greatest extent possible, the least costly settings for treatment, outpatient services
 18 and residential facilities shall be widely available and utilized except when contraindicated because
 19 of individual health care needs. State agencies that purchase treatment for mental or emotional
 20 disturbances shall develop criteria consistent with this policy. In reviewing applications for certif-
 21 icates of need, the Director of the Oregon [*Health Authority*] **Department of Health** shall take this
 22 policy into account.

23 (5) [*The department and the authority*] **Each department** shall accept the custody of persons
 24 committed to its care by the courts of this state.

25 (6) The [*authority*] **Oregon Department of Health** shall adopt rules to require a facility and a
 26 nonhospital facility as those terms are defined in ORS 426.005, and a provider that employs a person
 27 described in ORS 426.415, if subject to [*authority*] **department** rules regarding the use of restraint
 28 or seclusion during the course of mental health treatment of a child or adult, to report to the [*au-*
 29 *thority*] **department** each calendar quarter the number of incidents involving the use of restraint
 30 or seclusion. The aggregate data shall be made available to the public.

31 **SECTION 669.** ORS 430.030 is amended to read:

32 430.030. The enumeration of duties, functions and powers under ORS 430.021 shall not be deemed
 33 exclusive nor construed as a limitation on the powers and authority vested in the Department of
 34 Human Services or the Oregon [*Health Authority*] **Department of Health** by other provisions of law.

35 **SECTION 670.** ORS 430.050 is amended to read:

36 430.050. (1) The Director of the Oregon [*Health Authority*] **Department of Health**, with the
 37 approval of the Governor, shall appoint at least 15 but not more than 20 members of a Mental
 38 Health Advisory Board, composed of both lay and professionally trained individuals, qualified by
 39 training or experience to study the problems of mental health and make recommendations for the
 40 development of policies and procedures with respect to the state mental health programs. The
 41 membership shall provide balanced representation of program areas and shall include persons who
 42 represent the interests of children. At least four members of the board shall be persons with disa-
 43 bilities who shall serve as the Disability Issues Advisory Committee which is hereby established.
 44 The members of the board shall serve for terms of four years and are entitled to compensation and
 45 expenses as provided in ORS 292.495. The director may remove any member of the board for mis-

1 conduct, incapacity or neglect of duty.

2 (2) The Oregon [*Health Authority*] **Department of Health** shall adopt rules specifying the duties
3 of the board. In addition to those duties assigned by rule, the board shall assist the [*authority*] **de-**
4 **partment** in planning and preparation of administrative rules for the assumption of responsibility
5 for psychiatric care in state and community hospitals by community mental health programs, in ac-
6 cordance with ORS 430.630 (3)(e).

7 (3) The board shall meet at least once each quarter.

8 (4) The director may make provision for technical and clerical assistance to the Mental Health
9 Advisory Board and for the expenses of such assistance.

10 (5) The Disability Issues Advisory Committee shall meet at least once annually to make recom-
11 mendations to the Mental Health Advisory Board.

12 (6) As used in this section, “person with a disability” means any person who:

13 (a) Has a physical or mental impairment which substantially limits one or more major life ac-
14 tivities;

15 (b) Has a record of such an impairment; or

16 (c) Is regarded as having such an impairment.

17 **SECTION 671.** ORS 430.071, as amended by section 1, chapter 5, Oregon Laws 2022, is amended
18 to read:

19 430.071. The Oregon [*Health Authority*] **Department of Health** shall adopt policies that support
20 and promote independence and self-determination for persons receiving mental health, addiction or
21 substance use disorder services. The policies shall be designed to remove barriers that:

22 (1) Segregate persons with disabilities from full participation in the community in the most in-
23 tegrated setting in accordance with the United States Supreme Court decision in *Olmstead v. L.C.*,
24 527 U.S. 581 (1999); and

25 (2) Prevent persons with disabilities from enjoying a meaningful life, the benefits of community
26 involvement and citizen rights guaranteed by law.

27 **SECTION 672.** ORS 430.073, as amended by section 2, chapter 5, Oregon Laws 2022, is amended
28 to read:

29 430.073. (1) As used in this section and ORS 430.075, “consumer” means a person who has re-
30 ceived or is receiving mental health, addiction or substance use disorder services.

31 (2) Consistent with the principles embodied in ORS 430.071 to support and promote independence
32 and self-determination for persons receiving mental health, addiction or substance use disorder ser-
33 vices, the Director of the Oregon [*Health Authority*] **Department of Health** shall maintain a Con-
34 sumer Advisory Council to:

35 (a) Advise the director on the provision of mental health, addiction and substance use disorder
36 services by the Oregon [*Health Authority*] **Department of Health** and operate as a representative
37 body that facilitates input from and communication with the peer constituency of the council.

38 (b) Review, evaluate and provide feedback, as permitted by federal law, on select deidentified
39 site review reports related to mental health, addiction and substance use disorder services provided
40 by the [*authority*] **department**.

41 (c) Review, evaluate or publish impacts, advisories or fiscal benefit estimates for the director
42 or the peer constituency of the council, or as public information, concerning any policy proposals
43 developed in accordance with ORS 430.071.

44 (d) Recommend policies in accordance with ORS 430.071.

45 (e) Provide perspectives and experiences.

1 (f) Communicate concerns, emergency needs or general conditions related to the delivery of
2 mental health, addiction and substance use disorder services.

3 (3) The director shall appoint 15 to 25 consumers to the council from a list of candidates sub-
4 mitted by:

5 (a) Existing consumers on the council; or

6 (b) A seven-person committee, appointed by the members of the council, consisting of individuals
7 who represent independent consumer-run organizations, consumer-run advocacy organizations and
8 consumer-operated advisory councils that are active or headquartered in this state.

9 (4) In selecting the candidates to be submitted to the director under subsection (3) of this sec-
10 tion, the council or committee shall strive for the balance described in subsection (5) of this section
11 and otherwise encourage outreach to new members and diverse groups in the consumer or peer
12 community.

13 (5) In making appointments to the council, the director shall strive to balance the representation
14 according to geographic areas of the state, race, ethnicity, gender identity and age.

15 (6) The [authority] **department** shall provide administrative support to the council.

16 (7) A member of the council is entitled to compensation in an amount determined by the director
17 and to actual and necessary travel expenses incurred by the member in the performance of the
18 member's official duties. Claims for compensation and expenses shall be paid out of funds appropri-
19 ated to the [authority] **department** for purposes of the council.

20 **SECTION 673.** ORS 430.078 is amended to read:

21 430.078. The Oregon [Health Authority] **Department of Health** shall adopt rules to implement
22 ORS 430.071 to 430.075.

23 **SECTION 674.** ORS 430.140 is amended to read:

24 430.140. (1) The Oregon [Health Authority] **Department of Health** is designated as the state
25 agency to apply to and receive from the federal government or any agency thereof such grants for
26 promoting mental health, including grants for mental hygiene programs, as may be available to this
27 state or any of its political subdivisions or agencies.

28 (2) For the purposes of subsection (1) of this section, the [authority] **department** shall:

29 (a) Disburse or supervise the disbursement of all funds made available at any time by the federal
30 government or this state for those purposes, except the funds made available by the state for the
31 care of dependent or delinquent children in public or private institutions.

32 (b) Adopt, carry out and administer plans for those purposes. Plans so adopted shall be made
33 statewide in application insofar as reasonably feasible, possible or permissible, and shall be so de-
34 vised as to meet the approval of the federal government or any of its agencies, not inconsistent with
35 the laws of the state.

36 **SECTION 675.** ORS 430.165 is amended to read:

37 430.165. The Oregon [Health Authority] **Department of Health** may prescribe fee schedules for
38 any of the programs that it establishes and operates under ORS 430.265, 430.306 to 430.375, 430.405,
39 430.415 and 430.850 to 430.880. The fees shall be charged and collected by the [authority] **depart-**
40 **ment** in the same manner as charges are collected under ORS 179.610 to 179.770. When the [au-
41 thority] **department** acts under this section, "person in a state institution" or "person at a state
42 institution" or any similar phrase, as defined in ORS 179.610, includes a person who receives ser-
43 vices from a program for which fee schedules are established under this section.

44 **SECTION 676.** ORS 430.195 is amended to read:

45 430.195. (1) The Department of Human Services may receive funds that are the property of the

1 department's clients or are contributed for the use of the department's clients. The department shall
 2 deposit such funds in trust accounts established under ORS 293.445. Interest earned by a trust ac-
 3 count shall be credited to the account.

4 (2) The Oregon [*Health Authority*] **Department of Health** may receive funds that are the prop-
 5 erty of the [*authority's*] **department's** clients or are contributed for the use of the [*authority's*]
 6 **department's** clients. The [*authority*] **department** shall deposit such funds in trust accounts estab-
 7 lished under ORS 293.445. Interest earned by a trust account shall be credited to the account.

8 (3) Disbursements from a trust account shall be made for purposes for which the contributions
 9 or payments were made to the [*department or the authority*] **Department of Human Services or**
 10 **the Oregon Department of Health**. When such purposes include the care or maintenance of a
 11 client, the [*department or the authority*] **Department of Human Services or the Oregon Depart-**
 12 **ment of Health** may draw reimbursements from the account to pay for care and services provided
 13 to the client.

14 (4) The [*department or the authority*] **Department of Human Services or the Oregon Depart-**
 15 **ment of Health** may by interagency agreement authorize another state agency to exercise the au-
 16 thority granted under this section. Any system of accounts used for purposes of this subsection shall
 17 provide detailed accountability for each receipt and disbursement of funds for each client. The [*de-*
 18 *partment and the authority*] **Department of Human Services and the Oregon Department of**
 19 **Health** shall remain accountable for the proper handling of the trust accounts authorized by this
 20 section.

21 **SECTION 677.** ORS 430.197 is amended to read:

22 430.197. The Mental Health Services Fund is established in the State Treasury, separate and
 23 distinct from the General Fund. The Mental Health Services Fund comprises moneys collected or
 24 received by the Oregon [*Health Authority*] **Department of Health**, the Department of Human Ser-
 25 vices and the Department of Corrections under ORS 179.640, 426.241 and 430.165. The moneys in the
 26 fund are continuously appropriated to the Oregon [*Health Authority*] **Department of Health**, the
 27 Department of Human Services and the Department of Corrections for the purposes of paying the
 28 costs of:

29 (1) Services provided to a person in a state institution, as defined in ORS 179.610;

30 (2) Emergency psychiatric care, custody and treatment paid under ORS 426.241;

31 (3) Emergency care, custody or treatment provided to a person admitted to or detained in a state
 32 mental hospital or nonhospital facility under ORS 426.070, 426.140, 426.180 to 426.210, 426.228,
 33 426.232 or 426.233; and

34 (4) Programs operating under ORS 430.265, 430.306 to 430.375, 430.405, 430.415 and 430.850 to
 35 430.880.

36 **SECTION 678.** ORS 430.205 is amended to read:

37 430.205. As used in this section and ORS 430.210:

38 (1) "Facility" means any of the following that are licensed or certified by the Oregon [*Health*
 39 *Authority*] **Department of Health** or that contract with the [*authority*] **department** for the pro-
 40 vision of services:

41 (a) A health care facility as defined in ORS 442.015;

42 (b) A domiciliary care facility as defined in ORS 443.205;

43 (c) A residential facility as defined in ORS 443.400; or

44 (d) An adult foster home as defined in ORS 443.705.

45 (2) "Person" means an individual who has a mental illness and receives services from a program

1 or facility.

2 (3) "Program" means:

3 (a) A community mental health program established under ORS 430.620;

4 (b) A public or private entity contracting with the [authority] **department** under ORS 430.021
5 to provide services; or

6 (c) Any other provider that is paid directly or indirectly by the [authority] **department** to pro-
7 vide services in the community.

8 (4) "Services" means mental health services described in ORS 430.630.

9 **SECTION 679.** ORS 430.210 is amended to read:

10 430.210. (1) While receiving services, every person shall have the right to:

11 (a) Choose from available services those that are appropriate, consistent with the plan developed
12 in accordance with paragraphs (b) and (c) of this subsection and provided in a setting and under
13 conditions that are least restrictive to the person's liberty, that are least intrusive to the person and
14 that provide for the greatest degree of independence.

15 (b) An individualized service plan, services based upon that plan and periodic review and reas-
16 sessment of service needs.

17 (c) Ongoing participation in planning of services in a manner appropriate to the person's capa-
18 bilities, including the right to participate in the development and periodic revision of the plan de-
19 scribed in paragraph (b) of this subsection, and the right to be provided with a reasonable
20 explanation of all service considerations.

21 (d) Not receive services without informed voluntary written consent except in a medical emer-
22 gency or as otherwise permitted by law.

23 (e) Not participate in experimentation without informed voluntary written consent.

24 (f) Receive medication only for the person's individual clinical needs.

25 (g) Not be involuntarily terminated or transferred from services without prior notice, notifica-
26 tion of available sources of necessary continued services and exercise of a grievance procedure.

27 (h) A humane service environment that affords reasonable protection from harm, reasonable
28 privacy and daily access to fresh air and the outdoors, except that such access may be limited when
29 it would create significant risk of harm to the person or others.

30 (i) Be free from abuse or neglect and to report any incident of abuse without being subject to
31 retaliation.

32 (j) Religious freedom.

33 (k) Not be required to perform labor, except personal housekeeping duties, without reasonable
34 and lawful compensation.

35 (L) Visit with family members, friends, advocates and legal and medical professionals.

36 (m) Exercise all rights set forth in ORS 426.385 if the individual is committed to the Oregon
37 [Health Authority] **Department of Health**.

38 (n) Be informed at the start of services and periodically thereafter of the rights guaranteed by
39 this section and the procedures for reporting abuse, and to have these rights and procedures, in-
40 cluding the name, address and telephone number of the system described in ORS 192.517 (1), promi-
41 nently posted in a location readily accessible to the person and made available to the person's
42 guardian and any representative designated by the person.

43 (o) Assert grievances with respect to infringement of the rights described in this section, in-
44 cluding the right to have such grievances considered in a fair, timely and impartial grievance pro-
45 cedure.

1 (p) Have access to and communicate privately with any public or private rights protection or-
 2 ganization or rights advocate.

3 (q) Exercise all rights described in this section without any form of reprisal or punishment.

4 (2) The rights described in this section are in addition to, and do not limit, all other statutory
 5 and constitutional rights that are afforded all citizens including, but not limited to, the right to vote,
 6 marry, have or not have children, own and dispose of property, enter into contracts and execute
 7 documents.

8 (3) The rights described in this section may be asserted and exercised by the person, the
 9 person's guardian and any representative designated by the person.

10 (4) Nothing in this section may be construed to alter any legal rights and responsibilities be-
 11 tween parent and child.

12 **SECTION 680.** ORS 430.215 is amended to read:

13 430.215. (1) The Department of Human Services shall be responsible for planning, policy devel-
 14 opment, administration and delivery of services to children with developmental disabilities and their
 15 families. Services to children with developmental disabilities may include, but are not limited to,
 16 case management, family support, crisis and diversion services, intensive in-home services, and res-
 17 idential and foster care services. The department may deliver the services directly or through con-
 18 tracts with private entities, counties under ORS 430.620 or other public entities.

19 (2) The Oregon [*Health Authority*] **Department of Health** shall be responsible for psychiatric
 20 residential and day treatment services for children with mental or emotional disturbances.

21 **SECTION 681.** ORS 430.220, as amended by section 1, chapter 63, Oregon Laws 2022, is
 22 amended to read:

23 430.220. (1) The Governor shall appoint a Director of the Alcohol and Drug Policy Commission
 24 who shall serve at the pleasure of the Governor and be responsible for the dissemination and im-
 25 plementation of the Alcohol and Drug Policy Commission's policies and the performance of the
 26 commission's duties, functions and powers.

27 (2) The director shall be paid a salary as provided by law or, if not so provided, as prescribed
 28 by the Governor.

29 (3) Subject to ORS chapter 240, the director shall appoint all employees of the commission,
 30 prescribe their duties and fix their compensation.

31 (4) The director has all powers necessary to effectively and expeditiously carry out the duties,
 32 functions and powers of the commission.

33 (5) The director shall enter into agreements with participating state agencies for the sharing
 34 of information as necessary to carry out the duties of the commission. The agreements shall ensure
 35 the confidentiality of all information that is protected from disclosure by state and federal laws.

36 **SECTION 682.** ORS 430.221, as amended by section 2, chapter 63, Oregon Laws 2022, is
 37 amended to read:

38 430.221. (1) As used in this section and ORS 430.220 and 430.223:

39 (a) "Participating state agency" means the Department of Corrections, the Department of Hu-
 40 man Services, the Oregon [*Health Authority*] **Department of Health**, the Department of Education,
 41 the Oregon Criminal Justice Commission, the Oregon State Police, the Oregon Youth Authority, the
 42 Department of Consumer and Business Services, the Housing and Community Services Department,
 43 the Youth Development Division, the Higher Education Coordinating Commission, the Oregon State
 44 Lottery Commission, the Oregon Liquor and Cannabis Commission, the Department of Veterans'
 45 Affairs or any state agency that administers or funds alcohol or drug abuse prevention or treatment

1 services.

2 (b) "Provider" means any person that is licensed by the Oregon [*Health Authority*] **Department**
3 **of Health** to provide alcohol or drug abuse prevention or treatment services.

4 (2) There is created the Alcohol and Drug Policy Commission, which is charged with improving
5 the effectiveness and efficiency of state and local alcohol and drug abuse prevention and treatment
6 services.

7 (3) The membership of the commission consists of:

8 (a) No more than 17 members appointed by the Governor, subject to confirmation by the Senate
9 in the manner prescribed in ORS 171.562 and 171.565 and appointed, as the Governor deems practi-
10 cable, to ensure representation from stakeholders directly impacted by the work of the commission,
11 as follows:

12 (A) At least 75 percent of the members appointed by the Governor must be representatives of
13 the following public health and health care stakeholder groups:

14 (i) County commissioners, managers and administrators;

15 (ii) Indian tribes;

16 (iii) The following providers of addiction prevention and recovery services:

17 (I) Treatment providers employed by an outpatient addiction treatment program;

18 (II) Directors of inpatient addiction treatment centers;

19 (III) Addiction treatment providers who are culturally competent to serve specific cultural or
20 ethnic populations;

21 (IV) Certified prevention specialists;

22 (V) Certified addiction counselors; and

23 (VI) Certified addiction recovery mentors;

24 (iv) Alcohol or drug treatment researchers or epidemiologists;

25 (v) The health insurance industry or hospitals;

26 (vi) Consumers of addiction recovery services who are in recovery and the family members of
27 consumers;

28 (vii) Experts in addiction medicine;

29 (viii) Entities that provide housing to individuals who are in recovery; and

30 (ix) Social service providers.

31 (B) Up to 25 percent of the members appointed by the Governor shall be representatives of one
32 or more of the following stakeholder groups:

33 (i) District attorneys.

34 (ii) County sheriffs.

35 (iii) Chiefs of police.

36 (iv) Criminal defense attorneys.

37 (v) County community corrections agencies.

38 (b) Two members of the Legislative Assembly appointed to the commission as nonvoting mem-
39 bers of the commission, acting in an advisory capacity only and including:

40 (A) One member from among members of the Senate appointed by the President of the Senate;
41 and

42 (B) One member from among members of the House of Representatives appointed by the Speaker
43 of the House of Representatives.

44 (c) A judge of a circuit court appointed to the commission as a nonvoting member by the Chief
45 Justice of the Supreme Court.

1 (d) The director of the behavioral health program of the Oregon [*Health Authority*] **Department**
2 **of Health** as a nonvoting member.

3 (e) A representative of a coordinated care organization appointed to the commission as a non-
4 voting member by the Governor.

5 (4) The Alcohol and Drug Policy Commission shall select one of its members as chairperson and
6 another as vice chairperson, for such terms and with duties and powers necessary for the perform-
7 ance of the functions of such offices as the commission determines.

8 (5)(a) A majority of the voting members of the commission constitutes a quorum for the trans-
9 action of business.

10 (b) If a member of the commission is absent for more than two consecutive scheduled meetings
11 of the commission, the Director of the Alcohol and Drug Policy Commission appointed under ORS
12 430.220 may recommend to the Governor that the member be replaced.

13 (6) Official action of the commission requires the approval of a majority of a quorum.

14 (7) The commission may establish a steering committee and subcommittees. These committees
15 may be continuing or temporary. A person who is not a member of the commission may be appointed
16 by the commission to serve on a subcommittee. The commission shall appoint subcommittee members
17 to ensure representation from all stakeholders directly impacted by the work of the commission.

18 (8) The term of office of each commission member appointed by the Governor is four years, but
19 a member serves at the pleasure of the Governor. If there is a vacancy for any cause, the Governor
20 shall make an appointment to become immediately effective.

21 (9) The Oregon [*Health Authority*] **Department of Health** shall provide staff support to the
22 commission. Subject to available funding, the commission may contract with a public or private en-
23 tity to provide staff support.

24 (10) Members of the commission who are not members of the Legislative Assembly are entitled
25 to compensation and expenses incurred by them in the performance of their official duties in the
26 manner and amounts provided for in ORS 292.495. Claims for compensation and expenses shall be
27 paid out of funds appropriated to the Oregon [*Health Authority*] **Department of Health** or funds
28 appropriated to the commission for purposes of the commission.

29 **SECTION 683.** ORS 430.231 is amended to read:

30 430.231. (1) The Improving People's Access to Community-based Treatment, Supports and Ser-
31 vices Program is established in recognition of the shortage of comprehensive community supports
32 and services for individuals with mental health or substance use disorders, leading to their in-
33 volvement with the criminal justice system, hospitalizations and institutional placements. The pur-
34 pose of the program is to address this need by awarding grants to counties and Oregon's federally
35 recognized Indian tribes to establish evidence-based and tribal-based programs to provide the needed
36 supports and services.

37 (2) The Improving People's Access to Community-based Treatment, Supports and Services Grant
38 Review Committee established in ORS 430.234 shall adopt rules for administering the program, in-
39 cluding rules:

40 (a) Identifying the target population of people with frequent criminal justice involvement and
41 behavioral health conditions to be served by the programs funded with the grants;

42 (b) Prescribing a methodology for the committee to review and approve grant applications;

43 (c) Establishing program or service outcome measures;

44 (d) Establishing criteria for allowing a grantee to use a grant or a portion of a grant to:

45 (A) Expand the workforce of providers of mental health or substance abuse services in the

1 community; or

2 (B) Provide permanent, supportive housing for individuals with mental health or substance use
3 disorders; and

4 (e) Allowing the committee to terminate an agreement with an entity that fails to meet the grant
5 requirements or has been found to have misused funds or committed fraud. The ability to meet the
6 grant requirements may be a consideration in future funding or the amount of funding.

7 (3) The committee shall allocate funds in the Improving People's Access to Community-based
8 Treatment, Supports and Services Account established in ORS 430.233 to grantees. The funds may
9 not be used for a purpose other than the programs providing supports and services for which the
10 grants were awarded.

11 (4) If unallocated funds remain at the conclusion of the grant acceptance period, the committee
12 may establish a supplemental grant period and distribute the unallocated funds to the counties or
13 Oregon's federally recognized Indian tribes that received grants.

14 (5) Up to 20 percent of the funds in the account may be used for operating a statewide program
15 to support the design and implementation of community-based services, including but not limited to:

16 (a) Technical assistance to prospective grantees in developing proposals, particularly for devel-
17 oping proposals for supportive housing;

18 (b) Technical assistance to grantees for troubleshooting data collection requirements and shar-
19 ing information with third parties as necessary for carrying out the programs;

20 (c) Statewide training, provided in-person and remotely, for grantees and nongrantees, focused
21 on improving outcomes for the target population;

22 (d) Making resources available to district attorneys and defense attorneys for consultation on
23 cases involving defendants with complex behavioral health issues;

24 (e) Developing or strengthening a centralized system to make available to communities practi-
25 tioners in professional specialties for which there is a shortage, including practitioners of addiction
26 medicine and psychiatry; and

27 (f) A one-time investment in information technology to support the data system needs for the
28 evaluation, accountability and innovation components of the program.

29 (6)(a) The committee shall procure and enter into contracts for goods, services and personal
30 services related to the creation, operation, maintenance and management of information technology
31 systems for the purpose of carrying out this section.

32 (b) The committee shall procure and enter into contracts for goods, services and personal ser-
33 vices related to designing, developing, conducting, performing and completing research, review, au-
34 dits, statistical analyses, investigations, studies, reports and evaluations for the purpose of carrying
35 out this section.

36 (7) Three percent of the funds in the account must be used to support outcome measures, eval-
37 uation or both.

38 (8) An application for a grant must be submitted by the federally recognized Indian tribe or the
39 local public safety coordinating council on behalf of the county and:

40 (a) Must include:

41 (A) Letters of support and commitments from community leaders or organizations that are not
42 members of the local public safety coordinating council, including but not limited to:

43 (i) Agencies working with homeless individuals;

44 (ii) Behavioral health care providers;

45 (iii) Coordinated care organizations; and

1 (iv) Local hospitals.

2 (B) For applications from counties, a report of the input from the local federally recognized In-
 3 dian tribes and, to the extent feasible, an explanation of how the input was incorporated into the
 4 design of the program, supports and services.

5 (C) For applications from federally recognized Indian tribes, a report of the input from the local
 6 public safety coordinating council and, to the extent feasible, an explanation of how the input was
 7 incorporated into the design of the program, supports and services.

8 (D) An agreement to screen all participants receiving supports and services funded by the grants
 9 for potential eligibility for medical assistance and to assist eligible participants to apply for medical
 10 assistance, including an agreement for a process for sharing data and protecting the confidentiality
 11 of recipients among the program participants.

12 (E) A process for program partners, participating jails and hospitals to:

13 (i) Provide information upon admission or at intake about the potential risks and benefits of
 14 tribal notification; and

15 (ii) Offer tribal members the opportunity to disclose their statuses and situations to the federally
 16 recognized Indian tribe of their choosing.

17 (b) May include a request to have more flexibility in using existing state funding to provide
 18 supports and services that address the need described in subsection (1) of this section.

19 (9) Annually, grantees shall report to the committee and to the Oregon [*Health Authority*] **De-**
 20 **partment of Health** the medical assistance enrollment data in addition to other outcome measures
 21 or evaluation metrics collected as part of the grant for participants receiving supports and services
 22 provided with funds from the grants.

23 **SECTION 684.** ORS 430.234 is amended to read:

24 430.234. (1) The Improving People’s Access to Community-based Treatment, Supports and Ser-
 25 vices Grant Review Committee is established in the Oregon Criminal Justice Commission consisting
 26 of 19 members as follows:

27 (a) The Director of the Oregon [*Health Authority*] **Department of Health**, or the director’s
 28 designee.

29 (b) The Director of the Department of Corrections, or the director’s designee.

30 (c) The Chief Justice of the Supreme Court, or the Chief Justice’s designee.

31 (d) The executive director of the Oregon Criminal Justice Commission or the director’s designee.

32 (e) The Director of the Housing and Community Services Department or the director’s designee.

33 (f) Nine members appointed by the Governor including:

34 (A) A district attorney.

35 (B) An attorney specializing in defense of individuals with mental health or substance use dis-
 36 orders.

37 (C) A chief of police.

38 (D) A county commissioner.

39 (E) A director of a hospital that provides acute mental health treatment.

40 (F) A representative of a community-based mental health treatment facility or a practitioner in
 41 a community-based mental health treatment facility.

42 (G) A representative of a community-based substance use disorder treatment facility or a prac-
 43 titioner in a community-based substance use disorder treatment facility.

44 (H) A sheriff.

45 (I) A representative of a federally recognized Indian tribe.

1 (g) One nonvoting member appointed by the President of the Senate from among members of the
2 Senate.

3 (h) One nonvoting member appointed by the Speaker of the House of Representatives from
4 among members of the House of Representatives.

5 (i) Three members of the public that represent the age demographics of the target population.

6 (2) A majority of the voting members of the committee constitutes a quorum for the transaction
7 of business.

8 (3) The directors of the Oregon Criminal Justice Commission and the Oregon [*Health*
9 *Authority*] **Department of Health** or their designees shall serve as cochairpersons.

10 (4) If there is a vacancy for any cause, the appointing authority shall make an appointment to
11 become effective immediately.

12 (5) The committee shall meet at times and places specified by the call of the cochairpersons or
13 a majority of the voting members of the committee.

14 (6) The Oregon Criminal Justice Commission shall provide staff support to the committee.

15 (7) Legislative members of the committee shall be entitled to payment of compensation and ex-
16 penses under ORS 171.072, payable from funds appropriated to the Legislative Assembly.

17 (8) Members of the committee who are not members of the Legislative Assembly are not entitled
18 to compensation but may be reimbursed for actual and necessary travel and other expenses incurred
19 by the member in the performance of the member's official duties in the manner and amount pro-
20 vided in ORS 292.495.

21 (9) All agencies of state government, as defined in ORS 174.111, are directed to assist the com-
22 mittee in the performance of the duties of the committee and, to the extent permitted by laws re-
23 lating to confidentiality, to furnish information and advice that the members of the committee
24 consider necessary to perform their duties.

25 **SECTION 685.** ORS 430.235 is amended to read:

26 430.235. (1) The Improving People's Access to Community-based Treatment, Supports and Ser-
27 vices Grant Review Committee established in ORS 430.234 shall administer the Improving People's
28 Access to Community-based Treatment, Supports and Services Program established in ORS 430.231,
29 in consultation with the Oregon [*Health Authority*] **Department of Health**.

30 (2) The committee shall be responsible for approving grant applications and for distributing the
31 grant moneys in accordance with rules adopted by the committee under ORS 430.231. The committee
32 shall designate a percentage of the funds to be set aside and awarded to at least one federally re-
33 cognized Indian tribe.

34 (3) The committee may advocate to state agencies on behalf of grantees to reduce the adminis-
35 trative burden of grants with similar goals, services and activities as those in the Improving People's
36 Access to Community-based Treatment, Supports and Services Program.

37 (4) The committee shall develop additional financial requirements for a grantee's use of funds
38 as described in subsection (3) of this section.

39 (5) The committee may determine funding priorities based on the results of the outcome meas-
40 ures or the evaluation tools established by the quality improvement subcommittee established in
41 ORS 430.236. The subcommittee shall develop technical assistance and training strategies to support
42 the grantees in meeting the grant outcome measurement requirements.

43 (6) The committee shall establish partnerships with appropriate agencies and other entities to
44 ensure that the information technology infrastructure is sufficient to efficiently collect and analyze
45 program data and to transfer data as needed. To the greatest extent practicable, the committee

1 shall use existing information technology systems and staff expertise.

2 **SECTION 686.** ORS 430.243 is amended to read:

3 430.243. The Improving People's Access to Community-based Treatment, Supports and Services
4 Grant Review Committee established in ORS 430.234 and the Oregon [*Health Authority*] **Department**
5 **of Health** may work together to include coordinated care organizations in the Improving People's
6 Access to Community-based Treatment, Supports and Services Program, as permitted by state and
7 federal law, in a way that provides incentives for coordinated care organizations to provide com-
8 prehensive community supports and services, as defined in ORS 430.230, to their members who have
9 mental health or substance use disorders and be appropriately reimbursed for the costs of the sup-
10 ports and services.

11 **SECTION 687.** ORS 430.245 is amended to read:

12 430.245. (1) At least once per biennium, the Improving People's Access to Community-based
13 Treatment, Supports and Services Grant Review Committee shall, in conjunction with the Oregon
14 [*Health Authority*] **Department of Health**, identify:

15 (a) The costs to state government that were avoided as a result of the Improving People's Ac-
16 cess to Community-based Treatment, Supports and Services Program established in ORS 430.231; and

17 (b) Any increased costs to local governments as a result of the program.

18 (2) No later than January 1 of each odd-numbered year, the committee shall submit a report to
19 the Legislative Assembly, in the manner provided by ORS 192.245, that includes the costs described
20 in subsection (1) of this section and describes the methodology employed by the committee in de-
21 termining the costs.

22 (3) Annually, the committee shall submit a report, in the manner provided in ORS 192.245, on
23 the outcome measures or the results of evaluations of the program to the interim committees of the
24 Legislative Assembly related to health and the judiciary and to the Governor.

25 **SECTION 688.** ORS 430.254 is amended to read:

26 430.254. The Oregon [*Health Authority*] **Department of Health** shall develop treatment pro-
27 grams, meeting minimum standards adopted pursuant to ORS 430.357, to assist drug-dependent per-
28 sons to become persons who are able to live healthy and productive lives without the use of any
29 natural or synthetic opiates.

30 **SECTION 689.** ORS 430.256 is amended to read:

31 430.256. (1) The Director of the Oregon [*Health Authority*] **Department of Health** shall admin-
32 ister alcohol and drug abuse programs, including but not limited to programs or components of
33 programs described in ORS 430.397 to 430.401 and 475.225 and ORS chapters 430 and 801 to 822.

34 (2) Subject to ORS 417.300 and 417.305, the director shall:

35 (a) Report to the Alcohol and Drug Policy Commission on accomplishments and issues occurring
36 during each biennium, and report on a new biennial plan describing resources, needs and priorities
37 for all alcohol and drug abuse programs.

38 (b) Develop within the Oregon [*Health Authority*] **Department of Health** priorities for alcohol
39 and drug abuse programs and activities.

40 (c) Conduct statewide and special planning processes that provide for participation from state
41 and local agencies, groups and individuals.

42 (d) Identify the needs of special populations including minorities, elderly, youth, women and in-
43 dividuals with disabilities.

44 (e) Subject to ORS chapter 183, adopt such rules as are necessary for the performance of the
45 duties and functions specified by this section.

1 (3) The director may apply for, receive and administer funds, including federal funds and grants,
2 from sources other than the state. Subject to expenditure limitation set by the Legislative Assembly,
3 funds received under this subsection may be expended by the director:

4 (a) For the study, prevention or treatment of alcohol and drug abuse and dependence in this
5 state.

6 (b) To provide training, both within this state and in other states, in the prevention and treat-
7 ment of alcohol and drug abuse and dependence.

8 (4) The director shall, in consultation with state agencies and counties, establish guidelines to
9 coordinate program review and audit activities by state agencies and counties that provide funds to
10 alcohol and drug prevention and treatment programs. The purpose of the guidelines is to minimize
11 duplication of auditing and program review requirements imposed by state agencies and counties on
12 alcohol and drug prevention and treatment programs that receive state funds, including programs
13 that receive beer and wine tax revenues under ORS 430.380 and 471.810.

14 **SECTION 690.** ORS 430.262 is amended to read:

15 430.262. (1) The Oregon [*Health Authority*] **Department of Health** shall maintain a registry of
16 sobering facilities.

17 (2) To be registered, a sobering facility shall send a written request to the Director of the
18 Oregon [*Health Authority*] **Department of Health** by certified mail, return receipt requested. The
19 written request must include the name and address of the sobering facility and a statement signed
20 by an authorized representative that the facility meets the definition of a sobering facility in ORS
21 430.306.

22 (3) The [*authority*] **department** may not impose a fee or other charge for the registration.

23 (4) The [*authority*] **department** shall provide each sobering facility that submits a request for
24 registration with a written confirmation of the facility's registration no later than 30 days after the
25 [*authority*] **department** receives the written request for registration. The confirmation must be sent
26 by certified mail.

27 (5) The [*authority*] **department** shall report to each regular session of the Legislative Assembly,
28 beginning with the 2017 regular session, on the extent to which sobering facilities registered with
29 the [*authority*] **department** under this section have provided safe, clean and appropriate environ-
30 ments for police officers to take intoxicated persons. The [*authority*] **department** may also report
31 any other information that the [*authority*] **department** determines may be useful to the Legislative
32 Assembly in evaluating the benefits of sobering facilities.

33 **SECTION 691.** ORS 430.265 is amended to read:

34 430.265. The Oregon [*Health Authority*] **Department of Health** is authorized to contract with
35 the federal government for services to alcohol and drug-dependent persons who are either residents
36 or nonresidents of the State of Oregon.

37 **SECTION 692.** ORS 430.270 is amended to read:

38 430.270. (1) The Oregon [*Health Authority*] **Department of Health** shall take such means as it
39 considers most effective to bring to the attention of the general public, employers, the professional
40 community and particularly the youth of the state, the harmful effects to the individual and society
41 of the irresponsible use of alcoholic beverages, controlled substances and other chemicals, and sub-
42 stances with abuse potential.

43 (2) The activities of the [*authority*] **department** under this section may not be inconsistent with
44 the comprehensive addiction, prevention, treatment and recovery plan developed by the Alcohol and
45 Drug Policy Commission under ORS 430.223.

1 **SECTION 693.** ORS 430.272 is amended to read:

2 430.272. (1) For purposes of this section, “inhalant” has the meaning given that term in ORS
3 167.808.

4 (2) The Director of the Oregon [*Health Authority*] **Department of Health** shall develop educa-
5 tion resources focusing on the problem of inhalant abuse by minors. The director shall ensure that
6 special emphasis is placed on the education of parents about the risks of inhalant use. The director
7 shall develop tools to help parents talk to their children about the extraordinary risks associated
8 with even a single use of inhalants, as well as those risks that arise from repeated use.

9 (3) The director shall develop education resources focusing on merchants that sell products that
10 contain inhalants. The director shall encourage merchants that sell products containing inhalants
11 to post signs that inform the public that using inhalants for the purpose of intoxication is illegal and
12 potentially deadly.

13 (4) The director shall develop and print a standard sign for the purposes of subsection (3) of this
14 section, and shall make the sign available to merchants that elect to display the sign. The sign shall:

15 (a) Contain the message, “Illegal to inhale fumes for purpose of intoxication. Fumes may cause
16 serious injury or death!”

17 (b) Be at least five by seven inches in size with lettering that is at least three-eighths of an inch
18 in height.

19 (c) Contain a graphic depiction of the message to convey the message to a person who cannot
20 read the message. If the depiction includes a picture of a person, the depiction of the person shall
21 be of a minor and shall not reflect any specific race or culture.

22 (5) The sign developed under subsection (4) of this section shall be in English and in such other
23 languages as may be commonly used in this state. Merchants shall be encouraged to post signs in
24 languages other than English if English is not the primary language of a significant number of the
25 patrons of the business.

26 **SECTION 694.** ORS 430.274 is amended to read:

27 430.274. The Oregon [*Health Authority*] **Department of Health** shall:

28 (1) Establish programs that are peer and community driven that ensure access to culturally
29 specific and culturally responsive behavioral health services for people of color, tribal communities
30 and people of lived experience.

31 (2) Provide medical assistance reimbursement for tribal-based practices.

32 **SECTION 695.** ORS 430.275 is amended to read:

33 430.275. (1) As used in this section:

34 (a) “Peer respite services” means voluntary, nonclinical, short-term residential peer support
35 provided:

36 (A) In a homelike setting to individuals with mental illness or trauma response symptoms who
37 are experiencing acute distress, anxiety or emotional pain that may lead to the need for a higher
38 level of care such as psychiatric inpatient hospital services; and

39 (B) By a peer-run organization and directed and delivered by individuals with lived experience
40 in coping with, seeking recovery from or overcoming mental illness or trauma response challenges.

41 (b) “Peer-run organization” means an organization:

42 (A) In which a majority of the individuals who oversee the organization’s operation and who are
43 in positions of control have received mental health services;

44 (B) That is fully independent, separate and autonomous from other mental health agencies; and

45 (C) That has the [*authority*] **department** and responsibility for all oversight and decision-making

1 on governance, financial, personnel, policy and program issues in the organization.

2 (c) "Peer support" means assistance provided by individuals who are current or former con-
3 sumers of mental health treatment in:

4 (A) Addressing financial problems and other issues affecting the social determinants of health;

5 (B) Managing trauma using natural supports; and

6 (C) Assisting with crisis management and coping with potential crisis situations.

7 (2)(a) The Oregon [*Health Authority*] **Department of Health** shall provide funding to one or
8 more peer-run organizations to operate four peer respite centers to complement existing local crisis
9 response services, one each to be located in the Portland metropolitan area, the southern Oregon
10 region, the Oregon coast and the central and eastern Oregon region. Each peer respite center shall
11 provide up to two weeks of continuous peer respite services to six or fewer individuals.

12 (b) At least one of the peer respite centers must participate in a pilot project designed specif-
13 ically to provide culturally responsive services to historically underrepresented communities, such
14 as communities of color including Black, African American, Latino, Asian, Asian American or
15 Pacific Islander communities, or to the nine federally recognized tribes in this state.

16 (3) The [*authority*] **department** shall prescribe by rule the requirements for peer respite centers
17 receiving funding under this section and may require peer respite centers to provide data and other
18 reports to enable the [*authority*] **department** to monitor and evaluate the services provided by the
19 peer respite centers.

20 (4) The [*authority*] **department** shall collaborate with county behavioral health departments or
21 contractors of county behavioral health departments to incorporate peer respite services into the
22 continuum of care provided by the departments or contractors to individuals who are experiencing
23 behavioral health crises or who may be at risk of experiencing behavioral health crises.

24 (5) As a condition of the receipt of funding, peer-run organizations must allow the [*authority*]
25 **department** or the [*authority's*] **department's** designees access to the peer respite centers to con-
26 duct investigations and assessments, as necessary, to ensure that residents receive the quality and
27 scope of services required.

28 **SECTION 696.** ORS 430.278 is amended to read:

29 430.278. The Oregon [*Health Authority*] **Department of Health** shall continually evaluate and
30 revise administrative rules governing behavioral health programs and services to reduce the ad-
31 ministrative burden of documentation, particularly around assessment and treatment planning, the
32 measures and outcomes tracking system or successor systems and other reporting required for pro-
33 viders seeking certificates of approval and to ensure that the rules are consistent with the medical
34 assistance program administrative rules that apply to behavioral health care staff operating in pri-
35 mary care and other settings.

36 **SECTION 697.** ORS 430.306 is amended to read:

37 430.306. As used in ORS 430.262, 430.315, 430.335, 430.342, 430.397, 430.399, 430.401, 430.402,
38 430.420 and 430.630, unless the context requires otherwise:

39 (1) "Alcoholic" means any person who has lost the ability to control the use of alcoholic
40 beverages, or who uses alcoholic beverages to the extent that the health of the person or that of
41 others is substantially impaired or endangered or the social or economic function of the person is
42 substantially disrupted. An alcoholic may be physically dependent, a condition in which the body
43 requires a continuing supply of alcohol to avoid characteristic withdrawal symptoms, or
44 psychologically dependent, a condition characterized by an overwhelming mental desire for contin-
45 ued use of alcoholic beverages.

1 (2) "Detoxification center" means a publicly or privately operated profit or nonprofit facility
2 approved by the Oregon [*Health Authority*] **Department of Health** that provides emergency care
3 or treatment for alcoholics or drug-dependent persons.

4 (3) "Director of the treatment facility" means the person in charge of treatment and rehabili-
5 tation programs at a treatment facility.

6 (4) "Drug-dependent person" means one who has lost the ability to control the personal use of
7 controlled substances or other substances with abuse potential, or who uses such substances or
8 controlled substances to the extent that the health of the person or that of others is substantially
9 impaired or endangered or the social or economic function of the person is substantially disrupted.
10 A drug-dependent person may be physically dependent, a condition in which the body requires a
11 continuing supply of a drug or controlled substance to avoid characteristic withdrawal symptoms,
12 or psychologically dependent, a condition characterized by an overwhelming mental desire for con-
13 tinued use of a drug or controlled substance.

14 (5) "Halfway house" means a publicly or privately operated profit or nonprofit, residential fa-
15 cility approved by the [*authority*] **department** that provides rehabilitative care and treatment for
16 alcoholics or drug-dependent persons.

17 (6) "Local planning committee" means a local planning committee for alcohol and drug pre-
18 vention and treatment services appointed or designated by the county governing body under ORS
19 430.342.

20 (7) "Police officer" means a member of a law enforcement unit who is employed on a part-time
21 or full-time basis as a peace officer, commissioned by a city, a county or the Department of State
22 Police and responsible for enforcing the criminal laws of this state and any person formally
23 deputized by the law enforcement unit to take custody of a person who is intoxicated or under the
24 influence of controlled substances.

25 (8) "Sobering facility" means a facility that meets all of the following criteria:

26 (a) The facility operates for the purpose of providing to individuals who are acutely intoxicated
27 a safe, clean and supervised environment until the individuals are no longer acutely intoxicated.

28 (b) The facility contracts with or is affiliated with a treatment program or a provider approved
29 by the [*authority*] **Oregon Department of Health** to provide addiction treatment, and the contract
30 or affiliation agreement includes, but is not limited to, case consultation, training and advice and a
31 plan for making referrals to addiction treatment.

32 (c) The facility, in consultation with the addiction treatment program or provider, has adopted
33 comprehensive written policies and procedures incorporating best practices for the safety of
34 intoxicated individuals, employees of the facility and volunteers at the facility.

35 (d) The facility is registered with the Oregon [*Health Authority*] **Department of Health** under
36 ORS 430.262.

37 (9) "Treatment facility" includes outpatient facilities, inpatient facilities and other facilities the
38 [*authority*] **department** determines suitable and that provide services that meet minimum standards
39 established under ORS 430.357, any of which may provide diagnosis and evaluation, medical care,
40 detoxification, social services or rehabilitation for alcoholics or drug-dependent persons and which
41 operate in the form of a general hospital, a state hospital, a foster home, a hostel, a clinic or other
42 suitable form approved by the [*authority*] **department**.

43 **SECTION 698.** ORS 430.315 is amended to read:

44 430.315. The Legislative Assembly finds alcoholism or drug dependence is an illness. The alco-
45 holic or drug-dependent person is ill and should be afforded treatment for that illness. To the

1 greatest extent possible, the least costly settings for treatment, outpatient services and residential
 2 facilities shall be widely available and utilized except when contraindicated because of individual
 3 health care needs. State agencies that purchase treatment for alcoholism or drug dependence shall
 4 develop criteria consistent with this policy in consultation with the Oregon [*Health Authority*] **De-**
 5 **partment of Health**. In reviewing applications for certificate of need, the Director of the Oregon
 6 [*Health Authority*] **Department of Health** shall take this policy into account.

7 **SECTION 699.** ORS 430.335 is amended to read:

8 430.335. In accordance with the policies, priorities and standards established by the Alcohol and
 9 Drug Policy Commission under ORS 430.223, and subject to the availability of funds therefor, the
 10 Oregon [*Health Authority*] **Department of Health** may:

11 (1) Provide directly through publicly operated treatment facilities, which shall not be considered
 12 to be state institutions, or by contract with publicly or privately operated profit or nonprofit treat-
 13 ment facilities, for the care of individuals with substance use disorders.

14 (2) Sponsor and encourage research of substance use disorders.

15 (3) Seek to coordinate public and private programs relating to substance use disorders.

16 (4) Apply for federally granted funds available for study or prevention and treatment of sub-
 17 stance use disorders.

18 (5) Directly or by contract with public or private entities, administer financial assistance, loan
 19 and other programs to assist the development of housing for individuals with substance use disor-
 20 ders.

21 **SECTION 700.** ORS 430.342 is amended to read:

22 430.342. (1) The governing body of each county or combination of counties in a mental health
 23 administrative area, as designated by the Alcohol and Drug Policy Commission, shall:

24 (a) Appoint a local planning committee for alcohol and drug prevention and treatment services;
 25 or

26 (b) Designate an already existing body to act as the local planning committee for alcohol and
 27 drug prevention and treatment services.

28 (2) The committee shall identify needs and establish priorities for alcohol and drug prevention
 29 and treatment services that best suit the needs and values of the community and shall report its
 30 findings to the Oregon [*Health Authority*] **Department of Health**, the governing bodies of the
 31 counties served by the committee and the budget advisory committee of the commission.

32 (3) Members of the local planning committee shall be representative of the geographic area and
 33 shall be persons with interest or experience in developing alcohol and drug prevention and treat-
 34 ment services. The membership of the committee shall include a number of minority members which
 35 reasonably reflects the proportion of the need for prevention, treatment and rehabilitation services
 36 of minorities in the community.

37 **SECTION 701.** ORS 430.345 is amended to read:

38 430.345. Upon application therefor, the Oregon [*Health Authority*] **Department of Health** may
 39 make grants from funds specifically appropriated for the purposes of carrying out ORS 430.338 to
 40 430.380 to any applicant for the establishment, operation and maintenance of alcohol and drug abuse
 41 prevention, early intervention and treatment services. When necessary, a portion of the appropriated
 42 funds may be designated by the [*authority*] **department** for training and technical assistance, or
 43 additional funds may be appropriated for this purpose. Alcohol and drug abuse prevention, early
 44 intervention and treatment services shall be approved if the applicant establishes to the satisfaction
 45 of the [*authority*] **department**:

1 (1)(a) The adequacy of the services to accomplish the goals of the applicant and the needs and
2 priorities established under ORS 430.338 to 430.380; or

3 (b) The community need for the services as determined by the local planning committee for al-
4 cohol and drug prevention and treatment services under ORS 430.342;

5 (2) That an appropriate operating agreement exists, or will exist with other community facilities
6 able to assist in providing alcohol and drug abuse prevention, early intervention and treatment
7 services, including nearby detoxification centers and halfway houses; and

8 (3) That the services comply with the rules adopted by the [authority] **department** pursuant to
9 ORS 430.357.

10 **SECTION 702.** ORS 430.350 is amended to read:

11 430.350. (1) Every applicant for a grant made under ORS 430.345 to 430.380 shall be assisted in
12 the preparation and development of alcohol and drug abuse prevention, early intervention and
13 treatment services by the local planning committee operating in the area to which the application
14 relates. Every application shall establish to the satisfaction of the Oregon [Health Authority] **De-**
15 **partment of Health** that the committee was actively involved in the development and preparation
16 of such program.

17 (2) The [authority] **department** shall require of every applicant for a grant made under ORS
18 430.345 to 430.380 the recommendation of the local planning committee in the area to which the
19 application relates. The [authority] **department** shall take such recommendation into consideration
20 before making or refusing grants under ORS 430.345 to 430.380.

21 **SECTION 703.** ORS 430.357 is amended to read:

22 430.357. (1) The Oregon [Health Authority] **Department of Health** shall adopt rules to imple-
23 ment ORS 430.338 to 430.380 and to establish minimum standards for alcohol and drug prevention
24 and treatment programs in accordance with the comprehensive addiction, prevention, treatment and
25 recovery plan developed by the Alcohol and Drug Policy Commission under ORS 430.223.

26 (2) All standards and guidelines adopted by the [authority] **department** to implement programs
27 authorized under ORS 430.338 to 430.380 shall be adopted as rules pursuant to ORS chapter 183 re-
28 gardless of whether they come within the definition of rule in ORS 183.310 (9).

29 **SECTION 704.** ORS 430.358 is amended to read:

30 430.358. Rules adopted by the Oregon [Health Authority] **Department of Health**, in accordance
31 with ORS 430.357, establishing requirements for the approval of an opioid treatment center to op-
32 erate in this state must include a requirement that an opioid treatment center accept Medicare
33 payments as reimbursement for the cost of covered services provided by the center.

34 **SECTION 705.** ORS 430.359 is amended to read:

35 430.359. (1) Upon approval of an application, the Oregon [Health Authority] **Department of**
36 **Health** shall enter into a matching fund relationship with the applicant. In all cases the amount
37 granted by the [authority] **department** under the matching formula shall not exceed 50 percent of
38 the total estimated costs, as approved by the [authority] **department**, of the alcohol and drug abuse
39 prevention, early intervention and treatment services.

40 (2) The [authority] **department** shall distribute funds to applicants consistent with the budget
41 priority policies adopted by the Alcohol and Drug Policy Commission, the community needs as de-
42 termined by local planning committees for alcohol and drug prevention and treatment services under
43 ORS 430.342 and the particular needs of minority groups with a significant population of affected
44 persons. The funds granted shall be distributed monthly.

45 (3) Federal funds at the disposal of an applicant for use in providing alcohol and drug abuse

1 prevention, early intervention and treatment services may be counted toward the percentage con-
2 tribution of an applicant.

3 (4) An applicant that is, at the time of a grant made under this section, expending funds appro-
4 priated by its governing body for the alcohol and drug abuse prevention, early intervention and
5 treatment services shall, as a condition to the receipt of funds under this section, maintain its fi-
6 nancial contribution to these programs at an amount not less than the preceding year. However, the
7 financial contribution requirement may be waived in its entirety or in part in any year by the [*au-*
8 *thority*] **department** because of:

9 (a) The severe financial hardship that would be imposed to maintain the contribution in full or
10 in part;

11 (b) The application of any special funds for the alcohol and drug abuse prevention, early inter-
12 vention and treatment services in the prior year when such funds are not available in the current
13 year;

14 (c) The application of federal funds, including but not limited to general revenue sharing, dis-
15 tributions from the Oregon and California land grant fund and block grant funds to the alcohol and
16 drug abuse prevention, early intervention and treatment services in the prior year when such funds
17 are not available for such application in the current year; or

18 (d) The application of fund balances resulting from fees, donations or underexpenditures in a
19 given year of the funds appropriated to counties pursuant to ORS 430.380 to the alcohol and drug
20 abuse prevention, early intervention and treatment services in the prior year when such funds are
21 not available for such application in the current year.

22 (5) Any moneys received by an applicant from fees, contributions or other sources for alcohol
23 and drug abuse prevention, early intervention and treatment services for service purposes, including
24 federal funds, shall be considered a portion of an applicant's contribution for the purpose of deter-
25 mining the matching fund formula relationship. All moneys so received shall only be used for the
26 purposes of carrying out ORS 430.345 to 430.380.

27 (6) Grants made pursuant to ORS 430.345 to 430.380 shall be paid from funds specifically ap-
28 propriated therefor and shall be paid in the same manner as other claims against the state are paid.

29 **SECTION 706.** ORS 430.364 is amended to read:

30 430.364. Within the limits of available funds, in giving priority consideration under ORS 430.359
31 (2), the Oregon [*Health Authority*] **Department of Health** shall:

32 (1) Identify all applications containing funding proposals for minority programs and assess the
33 extent to which such funding proposals address the needs of minorities as stated in ORS 430.362,
34 adjusting such amounts as it deems justified on the basis of the facts presented for its consideration
35 and such additional information as may be necessary to determine an appropriate level of funding
36 for such programs, and award such funds to those applicants for the purposes stated in the appli-
37 cation; and

38 (2) After making a determination of the appropriate level of funding minority programs under
39 subsection (1) of this section, assess the remaining portions of all applications containing minority
40 program funding proposals together with applications which do not contain funding proposals for
41 minority programs on the basis of the remaining community need determined by the local planning
42 committee for alcohol and drug prevention and treatment services under ORS 430.342, adjusting such
43 amounts as it deems justified on the basis of the facts presented for its consideration and such ad-
44 ditional information as may be necessary to determine an appropriate level of funding such pro-
45 grams, and award such funds to those applicants.

1 **SECTION 707.** ORS 430.368 is amended to read:

2 430.368. (1) Any alcohol and drug abuse prevention, early intervention and treatment service,
3 including but not limited to minority programs, aggrieved by any final action of an applicant with
4 regard to requesting funding for the program from the Oregon [*Health Authority*] **Department of**
5 **Health**, may appeal the applicant's action to the Director of the Oregon [*Health Authority*] **De-**
6 **partment of Health** within 30 days of the action. For the purposes of this section "final action"
7 means the submission of the applicant's compiled funding requests to the [*authority*] **department**.
8 The director shall review all appealed actions for compliance with the purposes and requirements
9 of ORS 430.338 to 430.380.

10 (2) The director shall act on all appeals within 60 days of filing, or before the time of the
11 [*authority's*] **department's** decision on the applicant's funding request, whichever is less. The di-
12 rector is not required to follow procedures for hearing a contested case, but shall set forth written
13 findings justifying the action. The decision of the director shall be final, and shall not be subject to
14 judicial review.

15 **SECTION 708.** ORS 430.375 is amended to read:

16 430.375. The Oregon [*Health Authority*] **Department of Health** shall recommend fee schedules
17 to be used in determining the dollar fee to charge a person admitted to approved alcohol and drug
18 abuse prevention, early intervention and treatment services for the expenses incurred by the service
19 in offering alcohol and drug abuse prevention, early intervention and treatment services. An indi-
20 vidual facility may adopt the schedules developed by the [*authority*] **department** or may, subject to
21 the approval of the [*authority*] **department**, develop and adopt its own fee schedules. The fee
22 schedules adopted by each facility shall be applied uniformly to all persons admitted to the facility
23 and shall be based on the costs of a person's alcohol and drug abuse prevention, early intervention
24 and treatment services and the ability of the person to pay. The person admitted shall be liable to
25 the facility only to the extent indicated by the fee schedules.

26 **SECTION 709.** ORS 430.380 is amended to read:

27 430.380. (1) There is established in the General Fund of the State Treasury an account to be
28 known as the Mental Health Alcoholism and Drug Services Account. Moneys deposited in the ac-
29 count are continuously appropriated for the purposes of ORS 430.345 to 430.380 and to provide
30 funding for sobering facilities registered under ORS 430.262. Moneys deposited in the account may
31 be invested in the manner prescribed in ORS 293.701 to 293.857.

32 (2) Forty percent of the moneys in the Mental Health Alcoholism and Drug Services Account
33 shall be continuously appropriated to the counties on the basis of population. The counties must use
34 the moneys for the establishment, operation and maintenance of alcohol and drug abuse prevention,
35 early intervention and treatment services and for local matching funds under ORS 430.345 to
36 430.380. The counties may use up to 10 percent of the moneys appropriated under this subsection
37 to provide funds for sobering facilities registered under ORS 430.262.

38 (3) Forty percent of the moneys shall be continuously appropriated to the Oregon [*Health Au-*
39 *thority*] **Department of Health** to be used for state matching funds to counties for alcohol and drug
40 abuse prevention, early intervention and treatment services pursuant to ORS 430.345 to 430.380. The
41 [*authority*] **department** may use up to 10 percent of the moneys appropriated under this subsection
42 for matching funds to counties for sobering facilities registered under ORS 430.262.

43 (4) Twenty percent of the moneys shall be continuously appropriated to the Oregon [*Health*
44 *Authority*] **Department of Health** to be used for alcohol and drug abuse prevention, early inter-
45 vention and treatment services for adults in custody of correctional and penal institutions and for

1 parolees therefrom and for probationers as provided pursuant to rules of the [authority]
 2 **department**. However, prior to expenditure of moneys under this subsection, the [authority] **de-**
 3 **partment** must present its program plans for approval to the appropriate legislative body which is
 4 either the Joint Ways and Means Committee during a session of the Legislative Assembly or the
 5 Emergency Board during the interim between sessions.

6 (5) Counties and state agencies:

7 (a) May not use moneys appropriated to counties and state agencies under subsections (1) to (4)
 8 of this section for alcohol and drug prevention and treatment services that do not meet or exceed
 9 minimum standards established under ORS 430.357; and

10 (b) Shall include in all grants and contracts with providers of alcohol and drug prevention and
 11 treatment services a contract provision that the grant or contract may be terminated by the county
 12 or state agency if the provider does not meet or exceed the minimum standards adopted by the
 13 Oregon [Health Authority] **Department of Health** pursuant to ORS 430.357. A county or state
 14 agency may not be penalized and is not liable for the termination of a contract under this section.

15 **SECTION 710.** ORS 430.384 is amended to read:

16 430.384. (1) The Drug Treatment and Recovery Services Fund is established in the State Treas-
 17 ury, separate and distinct from the General Fund. Interest earned by the Drug Treatment and Re-
 18 covery Services Fund shall be credited to the fund.

19 (2) The Drug Treatment and Recovery Services Fund shall consist of:

20 (a) Moneys deposited into the fund pursuant to ORS 305.231;

21 (b) Moneys appropriated or otherwise transferred to the fund by the Legislative Assembly;

22 (c) Moneys allocated from the Oregon Marijuana Account, pursuant to ORS 475C.726 (3)(b);

23 (d) Moneys allocated from the Criminal Fine Account pursuant to ORS 137.300 (4); and

24 (e) All other moneys deposited into the fund from any source.

25 (3) Moneys in the fund shall be continuously appropriated to the Oregon [Health Authority]
 26 **Department of Health** for the purposes set forth in ORS 430.389.

27 (4)(a) Pursuant to subsection (2)(b) of this section, the Legislative Assembly shall appropriate
 28 or transfer to the fund an amount sufficient to fully fund the grants program required by ORS
 29 430.389.

30 (b) The total amount deposited and transferred into the fund shall not be less than \$57 million
 31 for the first year chapter 2, Oregon Laws 2021, is in effect.

32 (c) In each subsequent year, the minimum transfer amount set forth in paragraph (b) of this
 33 subsection shall be increased by not less than the sum of:

34 (A) \$57 million multiplied by the percentage, if any, by which the monthly averaged U.S. City
 35 Average Consumer Price Index for the 12 consecutive months ending August 31 of the prior calendar
 36 year exceeds the monthly index for the fourth quarter of the calendar year 2020; and

37 (B) The annual increase, if any, in moneys distributed pursuant to ORS 475C.726 (3)(b).

38 **SECTION 711.** ORS 430.387 is amended to read:

39 430.387. The Oregon [Health Authority] **Department of Health** shall cause the moneys in the
 40 Drug Treatment and Recovery Services Fund to be distributed as follows:

41 (1)(a) An amount necessary for administration of ORS 430.388 to 430.390 not to exceed four
 42 percent of the moneys deposited into the fund in any biennium.

43 (b) The amounts necessary for administration described in paragraph (a) of this subsection do
 44 not include expenditures to establish and maintain the telephone hotline described in ORS 430.391
 45 (1).

1 (2) After the distribution set forth in subsection (1) of this section, the remaining moneys in the
2 fund shall be distributed to the grants program as set forth in ORS 430.389.

3 **SECTION 712.** ORS 430.388 is amended to read:

4 430.388. (1)(a) The Director of the Oregon [*Health Authority*] **Department of Health** shall es-
5 tablish an Oversight and Accountability Council for the purpose of determining how funds will be
6 distributed to grant applicants and to oversee the implementation of the Behavioral Health Resource
7 Networks pursuant to ORS 430.389. The council shall be formed on or before February 1, 2021.

8 (b) The council shall consist of qualified individuals with experience in substance use disorder
9 treatment and other addiction services. The council shall consist of at least one member from each
10 of the following categories only:

11 (A) A representative of the Oregon [*Health Authority*] **Department of Health**, Health Systems
12 Division Behavioral Health Services as a nonvoting member;

13 (B) Three members of communities that have been disproportionately impacted by arrests,
14 prosecution or sentencing for conduct that has been classified or reclassified as a Class E violation;

15 (C) A physician specializing in addiction medicine;

16 (D) A licensed clinical social worker;

17 (E) An evidence-based substance use disorder provider;

18 (F) A harm reduction services provider;

19 (G) A person specializing in housing services for people with substance use disorder or a diag-
20 nosed mental health condition;

21 (H) An academic researcher specializing in drug use or drug policy;

22 (I) At least two people who suffered or suffer from substance use disorder;

23 (J) At least two recovery peers;

24 (K) A mental or behavioral health care provider;

25 (L) A representative of a coordinated care organization;

26 (M) A person who works for a nonprofit organization that advocates for persons who experience
27 or have experienced substance use disorder; and

28 (N) The Director of the Alcohol and Drug Policy Commission or the director's designated staff
29 person, as a nonvoting member.

30 (2) A quorum consists of two-thirds of the members of the council, rounded up to the next odd
31 number of members.

32 (3) The term of office for a member of the council is four years. Vacancies shall be appointed
33 for the unexpired term.

34 (4)(a) To the extent permissible by law, a member of the council performing services for the
35 council may receive compensation from the member's employer for time spent performing services
36 as a council member.

37 (b) If a member of the council is not compensated by the member's employer as set forth in
38 paragraph (a) of this subsection, that member shall be entitled to compensation and expenses as
39 provided in ORS 292.495.

40 (5) Members of the council are subject to and must comply with the provisions of ORS chapter
41 244, including ORS 244.045 (4), 244.047, 244.120 and 244.130.

42 **SECTION 713.** ORS 430.389 is amended to read:

43 430.389. (1) The Oversight and Accountability Council shall oversee and approve grants and
44 funding to implement Behavioral Health Resource Networks and increase access to community care,
45 as set forth below. A Behavioral Health Resource Network is an entity or collection of entities that

1 individually or jointly provide some or all of the services described in subsection (2)(d) of this sec-
2 tion.

3 (2)(a) The Oversight and Accountability Council, in consultation with the Oregon [*Health Au-*
4 *thority*] **Department of Health**, shall provide grants and funding to agencies or organizations,
5 whether government or community based, to establish Behavioral Health Resource Networks for the
6 purposes of immediately screening the acute needs of people who use drugs and assessing and ad-
7 dressing any ongoing needs through ongoing case management, harm reduction, treatment, housing
8 and linkage to other care and services. Recipients of grants or funding to provide substance use
9 disorder treatment or services must be licensed, certified or credentialed by the state, including
10 certification under ORS 743A.168 (8), or meet criteria prescribed by rule by the Oversight and Ac-
11 countability Council under ORS 430.390. A recipient of a grant or funding under this subsection may
12 not use the grant or funding to supplant the recipient's existing funding.

13 (b) The council and the [*authority*] **department** shall ensure that residents of each county have
14 access to all of the services described in paragraph (d) of this subsection.

15 (c) Applicants for grants and funding may apply individually or jointly with other network par-
16 ticipants to provide services in one or more counties.

17 (d) A network must have the capacity to provide the following services and any other services
18 specified by the council by rule:

19 (A) Screening by certified addiction peer support or wellness specialists or other qualified per-
20 sons designated by the council to determine a client's need for immediate medical or other treatment
21 to determine what acute care is needed and where it can be best provided, identify other needs and
22 link the client to other appropriate local or statewide services, including treatment for substance
23 abuse and coexisting health problems, housing, employment, training and child care. Networks shall
24 provide this service 24 hours a day, seven days a week, every calendar day of the year.
25 Notwithstanding paragraph (b) of this subsection, only one grantee in each network within each
26 county is required to provide the screenings described in this subparagraph.

27 (B) Comprehensive behavioral health needs assessment, including a substance use disorder
28 screening by a certified alcohol and drug counselor or other credentialed addiction treatment pro-
29 fessional. The assessment shall prioritize the self-identified needs of a client.

30 (C) Individual intervention planning, case management and connection to services. If, after the
31 completion of a screening, a client indicates a desire to address some or all of the identified needs,
32 a case manager shall work with the client to design an individual intervention plan. The plan must
33 address the client's need for substance use disorder treatment, coexisting health problems, housing,
34 employment and training, child care and other services.

35 (D) Ongoing peer counseling and support from screening and assessment through implementation
36 of individual intervention plans as well as peer outreach workers to engage directly with
37 marginalized community members who could potentially benefit from the network's services.

38 (E) Assessment of the need for, and provision of, mobile or virtual outreach services to:

39 (i) Reach clients who are unable to access the network; and

40 (ii) Increase public awareness of network services.

41 (F) Harm reduction services and information and education about harm reduction services.

42 (G) Low-barrier substance use disorder treatment.

43 (H) Transitional and supportive housing for individuals with substance use disorders.

44 (e) If an applicant for a grant or funding under this subsection is unable to provide all of the
45 services described in paragraph (d) of this subsection, the applicant may identify how the applicant

1 intends to partner with other entities to provide the services, and the Oregon [*Health Authority*]
2 **Department of Health** and the council may facilitate collaboration among applicants.

3 (f) All services provided through the networks must be evidence-informed, trauma-informed,
4 culturally specific, linguistically responsive, person-centered and nonjudgmental. The goal shall be
5 to address effectively the client's substance use and any other social determinants of health.

6 (g) The networks must be adequately staffed to address the needs of people with substance use
7 disorders within their regions as prescribed by the council by rule, including, at a minimum, at least
8 one person qualified by the Oregon [*Health Authority*] **Department of Health** in each of the fol-
9 lowing categories:

10 (A) Certified alcohol and drug counselor or other credentialed addiction treatment professional;

11 (B) Case manager; and

12 (C) Certified addiction peer support or wellness specialist.

13 (h) Verification of a screening by a certified addiction peer support specialist, wellness specialist
14 or other person in accordance with subsection (2)(d)(A) of this section shall promptly be provided
15 to the client by the entity conducting the screening. If the client executes a valid release of infor-
16 mation, the entity shall provide verification of the screening to the Oregon [*Health Authority*] **De-**
17 **partment of Health** or a contractor of the [*authority*] **department** and the [*authority*] **department**
18 or the [*authority's*] **department's** contractor shall forward the verification to the court, in the
19 manner prescribed by the Chief Justice of the Supreme Court, to satisfy the conditions for dismissal
20 under ORS 153.062 or 475.237.

21 (3)(a) If moneys remain in the Drug Treatment and Recovery Services Fund after the council
22 has committed grants and funding to establish behavioral health resource networks serving every
23 county in this state, the council shall provide grants and funding to other agencies or organizations,
24 whether government or community based, and to the nine federally recognized tribes in this state
25 and service providers that are affiliated with the nine federally recognized tribes in this state to
26 increase access to one or more of the following:

27 (A) Low-barrier substance use disorder treatment that is evidence-informed, trauma-informed,
28 culturally specific, linguistically responsive, person-centered and nonjudgmental;

29 (B) Peer support and recovery services;

30 (C) Transitional, supportive and permanent housing for persons with substance use disorder;

31 (D) Harm reduction interventions including, but not limited to, overdose prevention education,
32 access to naloxone hydrochloride and sterile syringes and stimulant-specific drug education and
33 outreach; or

34 (E) Incentives and supports to expand the behavioral health workforce to support the services
35 delivered by behavioral health resource networks and entities receiving grants or funding under this
36 subsection.

37 (b) A recipient of a grant or funding under this subsection may not use the grant or funding to
38 supplant the recipient's existing funding.

39 (4) In awarding grants and funding under subsections (2) and (3) of this section, the council
40 shall:

41 (a) Distribute grants and funding to ensure access to:

42 (A) Historically underserved populations; and

43 (B) Culturally specific and linguistically responsive services.

44 (b) Consider any inventories or surveys of currently available behavioral health services.

45 (c) Consider available regional data related to the substance use disorder treatment needs and

1 the access to culturally specific and linguistically responsive services in communities in this state.

2 (d) Consider the needs of residents of this state for services, supports and treatment at all ages.

3 (5) The council shall require any government entity that applies for a grant to specify in the
4 application details regarding subgrantees and how the government entity will fund culturally spe-
5 cific organizations and culturally specific services. A government entity receiving a grant must
6 make an explicit commitment not to supplant or decrease any existing funding used to provide ser-
7 vices funded by the grant.

8 (6) In determining grants and funding to be awarded, the council may consult the comprehensive
9 addiction, prevention, treatment and recovery plan established by the Alcohol and Drug Policy
10 Commission under ORS 430.223 and the advice of any other group, agency, organization or individual
11 that desires to provide advice to the council that is consistent with the terms of this section.

12 (7) Services provided by grantees, including services provided by a Behavioral Health Resource
13 Network, shall be free of charge to the clients receiving the services. Grantees in each network
14 shall seek reimbursement from insurance issuers, the medical assistance program or any other third
15 party responsible for the cost of services provided to a client and grants and funding provided by
16 the council or the [authority] **department** under subsection (2) of this section may be used for
17 copayments, deductibles or other out-of-pocket costs incurred by the client for the services.

18 (8) Subsection (7) of this section does not require the medical assistance program to reimburse
19 the cost of services for which another third party is responsible in violation of 42 U.S.C. 1396a(25).

20 **SECTION 714.** ORS 430.390 is amended to read:

21 430.390. (1)(a) On or before September 1, 2021, the Oversight and Accountability Council shall
22 adopt rules that establish general criteria and requirements for the Behavioral Health Resource
23 Networks and the grants and funding required by ORS 430.389, including rules requiring recipients
24 of grants and funding to collect and report information necessary for the Secretary of State to
25 conduct the financial and performance audits required by ORS 430.392.

26 (b) The council shall from time to time adopt such rules, and amend and revise rules the council
27 has adopted, as the council deems proper and necessary for the administration of chapter 2, Oregon
28 Laws 2021, and the performance of the council's work.

29 (2) On and after July 1, 2021, the council shall have and retain the authority to implement and
30 oversee the Behavioral Health Resource Networks established under ORS 430.389 and the grants
31 and funding under ORS 430.389.

32 (3) The Oregon [Health Authority] **Department of Health** shall administer and provide all nec-
33 essary support to ensure the implementation of chapter 2, Oregon Laws 2021, and that recipients
34 of grants or funding comply with all applicable rules regulating the provision of behavioral health
35 services.

36 (4)(a) The [authority] **department**, in consultation with the council, may enter into interagency
37 agreements to ensure proper distribution of funds for the grants required by ORS 430.389.

38 (b) The [authority] **department** shall encourage and take all reasonable measures to ensure that
39 grant recipients cooperate, coordinate and act jointly with one another to offer the services de-
40 scribed in ORS 430.389.

41 (c) The [authority] **department** shall post to the [authority's] **department's** website, at the time
42 a grant or funding is awarded:

43 (A) The name of the recipient of the grant or funding;

44 (B) The names of any subgrantees or subcontractors of the recipient of the grant or funding; and

45 (C) The amount of the grant or funding awarded.

1 (5) The [authority] **department** shall provide requested technical, logistical and other support
2 to the council to assist the council with the council's duties and obligations.

3 (6) The Department of Justice shall provide legal services to the council if requested to assist
4 the council in carrying out the council's duties and obligations.

5 **SECTION 715.** ORS 430.391 is amended to read:

6 430.391. (1) Not later than February 1, 2021, the Oregon [Health Authority] **Department of**
7 **Health** shall establish a Behavioral Health Resource Network statewide telephone hotline to:

8 (a) Provide screenings under ORS 430.389 (2)(d) to any resident in this state by certified ad-
9 diction peer support or wellness specialists, as defined by the [authority] **department** by rule, or
10 other qualified persons designated by the Oversight and Accountability Council;

11 (b) Assess a caller's need for immediate medical care or other treatment and determine what
12 acute care is needed and where it can be provided;

13 (c) Identify other needs of the caller; and

14 (d) Link the caller to other appropriate local or statewide services, including treatment for
15 substance abuse and other coexisting health problems, housing, employment, training and child care.

16 (2) The telephone hotline shall be staffed 24 hours a day, seven days a week, every calendar day
17 of the year. Following a screening, at the request of a caller, the telephone hotline shall promptly
18 provide the verification set forth in ORS 430.389 (2)(h).

19 **SECTION 716.** ORS 430.392 is amended to read:

20 430.392. (1) The Division of Audits of the office of the Secretary of State shall conduct per-
21 formance audits and financial reviews as provided in this section, regarding the uses of the Drug
22 Treatment and Recovery Services Fund and the effectiveness of the fund in achieving the purposes
23 of the fund and the policy objectives of ORS 430.383. Recipients of grants or funds under ORS
24 430.389 shall keep accurate books, records and accounts that are subject to inspection and audit by
25 the division.

26 (2) No later than two years after the completion of an audit or financial review, the division
27 shall monitor and report on the progress in implementing any recommendations made in the audit
28 or financial review. The division shall follow up on recommendations as part of recurring audit work
29 or as an activity separate from other audit activity. When following up on recommendations, the
30 division may request from the appropriate agency evidence of implementation.

31 (3) The audits set forth in this section shall be conducted pursuant to the provisions of ORS
32 chapter 297, except to the extent any provision of ORS chapter 297 conflicts with any provision of
33 ORS 293.665 and 305.231 and 430.383 to 430.390, in which case the provisions of ORS 293.665 and
34 305.231 and 430.383 to 430.390 shall control.

35 (4) No later than December 31, 2023, the division shall perform a:

36 (a) Real-time audit, as prescribed by the division, which shall include an assessment of the re-
37 lationship between the Oversight and Accountability Council and the Oregon [Health Authority]
38 **Department of Health**, the relationship between the council and recipients of grants or funding and
39 the structural integrity of ORS 293.665 and 305.231 and 430.383 to 430.390, including but not limited
40 to assessing:

41 (A) Whether the organizational structure of the council contains conflicts or problems.

42 (B) Whether the rules adopted by the council are clear and functioning properly.

43 (C) Whether the council has sufficient authority and independence to achieve the council's
44 mission.

45 (D) Whether the [authority] **department** is fulfilling the [authority's] **department's** duties under

1 ORS 430.384, 430.387, 430.388, 430.390 and 430.391.

2 (E) Whether there are conflicts of interest in the process of awarding grants or funding.

3 (F) Whether there are opportunities to expand collaboration between the council and state
4 agencies.

5 (G) Whether barriers exist in data collection and evaluation mechanisms.

6 (H) Who is providing the data.

7 (I) Other areas identified by the division.

8 (b) Financial review, which shall include an assessment of the following:

9 (A) The functioning of the grants and funding systems between the council, the *[authority]* **de-**
10 **partment** and recipients of grants or funding, including by gathering information on who is receiv-
11 ing what grants and funding, the process of applying for the grants and funding and whether that
12 process is conducive to obtaining qualified applicants and applicants from communities of color.

13 (B) Whether grants and funding are going to organizations that are culturally responsive and
14 linguistically specific, including an assessment of:

15 (i) The barriers that exist for grant and funding applicants who are Black, Indigenous or People
16 of Color.

17 (ii) The applicants that were denied and why.

18 (iii) Whether grants and other funding are being disbursed based on the priorities specified in
19 ORS 430.389.

20 (iv) For government entities receiving grants or funding under ORS 430.389, the government
21 entities' subgrantees and whether the governmental entity supplanted or decreased any local funding
22 dedicated to the same services after receiving grants or funds under ORS 430.389.

23 (v) Whether the *[authority]* **department** has stayed within its administrative spending cap.

24 (vi) What proportion of grants or funds received by grantees and others under ORS 430.389, was
25 devoted to administrative costs.

26 (C) The organizations and agencies receiving grants or funding under ORS 430.389 and:

27 (i) Which of the organizations and agencies are Behavioral Health Resource Network entities.

28 (ii) The amount each organization and agency received.

29 (iii) The total number of organizations and agencies that applied for grants or funding.

30 (iv) The amount of moneys from the fund that were used to administer the programs selected
31 by the council.

32 (v) The moneys that remained in the Drug Treatment and Recovery Services Fund after grants
33 and funding were disbursed.

34 (vi) A performance assessment of each grant or funding recipient.

35 (D) Other areas identified by the division.

36 (5) No later than December 31, 2024, the division shall conduct a performance audit, which must
37 include an assessment of the following:

38 (a) All relevant data regarding the implementation of ORS 153.062 and 430.391, including demo-
39 graphic information on individuals who receive citations subject to ORS 153.062 and 430.391 and
40 whether the citations resulted in connecting the individuals with treatment.

41 (b) The functioning of:

42 (A) Law enforcement and the courts in relation to Class E violation citations;

43 (B) The telephone hotline operated by the *[authority]* **department**; and

44 (C) Entities providing verification of screenings under ORS 430.389.

45 (c) Disparities shown by demographic data and whether the citation data reveals a dispropor-

1 tionate use of citations in communities most impacted by the war on drugs.

2 (d) Whether ORS 153.062, 430.389 and 430.391 reduce the involvement in the criminal justice
3 system of individuals with substance use disorder.

4 (e) Outcomes for individuals receiving treatment and other social services under ORS 430.389,
5 including, but not limited to, the following:

6 (A) Whether access to care increased since December 3, 2020, and, if data is available, whether,
7 since December 3, 2020:

8 (i) The number of drug and alcohol treatment service providers increased.

9 (ii) The number of culturally specific providers increased.

10 (iii) Overdose rates have decreased.

11 (iv) Access to harm reduction services has increased.

12 (v) More individuals are accessing treatment than they were before December 3, 2020.

13 (vi) Access to housing for individuals with substance use disorder has increased.

14 (B) Data on Behavioral Health Resource Networks and recipients of grants and funding under
15 ORS 430.389, including:

16 (i) The outcomes of each network or recipient, including but not limited to the number of clients
17 with substance use disorder receiving services from each network or recipient, the average duration
18 of client participation and client outcomes.

19 (ii) The number of individuals seeking assistance from the network or recipients who are denied
20 or not connected to substance use disorder treatment and other services, and the reasons for the
21 denials.

22 (iii) The average time it takes for clients to access services and fulfill their individual inter-
23 vention plan and the reason for any delays, such as waiting lists at referred services.

24 (iv) Whether average times to access services to which clients are referred, such as housing or
25 medically assisted treatment, have decreased over time since December 3, 2020.

26 (v) Demographic data on clients served by Behavioral Health Resource Networks, including
27 self-reported demographic data on race, ethnicity, gender and age.

28 (6) After the initial audit and financial review under subsection (4) of this section, the division
29 shall conduct periodic performance audits and financial reviews pursuant to the division's annual
30 audit plan and taking into consideration the risks of the program.

31 **SECTION 717.** ORS 430.393 is amended to read:

32 430.393. No later than January 1, 2022, and at the beginning of each calendar quarter thereafter,
33 the Oregon [*Health Authority*] **Department of Health** shall report to the Legislative Assembly, in
34 the manner provided in ORS 192.245, how funds from the Drug Treatment and Recovery Services
35 Fund were spent in the preceding calendar quarter.

36 **SECTION 718.** ORS 430.397 is amended to read:

37 430.397. Any person may voluntarily apply for admission to any treatment facility operated
38 pursuant to rules of the Oregon [*Health Authority*] **Department of Health**. The director of the
39 treatment facility shall determine whether the person shall be admitted as a patient, or referred to
40 another appropriate treatment facility or denied referral or admission. If the person is under 18
41 years of age or an incompetent, the director of the treatment facility shall notify the person's par-
42 ents or guardian of the admission or referral.

43 **SECTION 719.** ORS 430.401 is amended to read:

44 430.401. (1) A police officer, physician, naturopathic physician, physician assistant, nurse prac-
45 titioner, judge, treatment facility, treatment facility staff member or sobering facility that is regis-

1 tered with the Oregon [*Health Authority*] **Department of Health** under ORS 430.262 based on a
 2 written request for registration received by the [*authority*] **department** before January 1, 2016, or
 3 the staff of the sobering facility, may not be held criminally or civilly liable for actions pursuant to
 4 ORS 430.315, 430.335, 430.397 to 430.401 and 430.402 provided the actions are in good faith, on
 5 probable cause and without malice.

6 (2) A sobering facility registered with the [*authority*] **department** under ORS 430.262 based on
 7 a written request for registration received by the [*authority*] **department** on or after January 1,
 8 2016, and the staff of the sobering facility, may not be held criminally or civilly liable for actions
 9 pursuant to ORS 430.315, 430.335, 430.397 to 430.401 and 430.402 provided the actions are in good
 10 faith, on probable cause and without gross negligence.

11 **SECTION 720.** ORS 430.420 is amended to read:

12 430.420. (1) In collaboration with local seizing agencies, the district attorney, the local public
 13 safety coordinating council and the local mental health advisory committee, a local planning com-
 14 mittee appointed or designated pursuant to ORS 430.342 shall develop a plan to integrate drug
 15 treatment services, meeting minimum standards established pursuant to ORS 430.357, into the crim-
 16 inal justice system for offenders who commit nonviolent felony drug possession offenses. The plan
 17 may also include property offenders as provided for under ORS 475.245.

18 (2)(a) A plan may include, but need not be limited to, programs that occur before adjudication,
 19 after adjudication as part of a sentence of probation or as part of a conditional discharge.

20 (b) A plan must include, but need not be limited to:

21 (A) A description of local criminal justice and treatment coordination efforts;

22 (B) A description of the method by which local, state and federal treatment resources are pri-
 23 oritized and allocated to meet the needs of the drug abusing offender population;

24 (C) The principles that guide criminal justice strategies for supervision and treatment of drug
 25 abusing offenders and the purchase of treatment services from local community providers;

26 (D) The desired outcomes for criminal justice strategies for supervision and treatment of drug
 27 abusing offenders and the provision of treatment services and identification of a method for moni-
 28 toring and reporting the outcomes; and

29 (E) Consistent standards for measuring the success of criminal justice strategies for supervision
 30 and treatment of drug abusing offenders and the provision of treatment.

31 (3) A program must include, but need not be limited to:

32 (a) Ongoing oversight of the participant;

33 (b) Frequent monitoring to determine whether a participant is using controlled substances un-
 34 lawfully; and

35 (c) A coordinated strategy governing responses to a participant's compliance or noncompliance
 36 with the program.

37 (4) The local planning committee shall submit the plan to the Oregon [*Health Authority*] **De-**
 38 **partment of Health** and shall provide the county board of commissioners with a copy of the plan.

39 **SECTION 721.** ORS 430.422 is amended to read:

40 430.422. The Drug Prevention and Education Fund is established separate and distinct from the
 41 General Fund. The Drug Prevention and Education Fund consists of moneys deposited in the fund
 42 under ORS 131.597 and 430.426, and other moneys as may be appropriated to the fund by law. The
 43 moneys in the Drug Prevention and Education Fund are continuously appropriated to the Oregon
 44 [*Health Authority*] **Department of Health** for the purpose of assisting counties in paying the costs
 45 incurred by the counties in providing drug treatment services pursuant to plans submitted under

1 ORS 430.420.

2 **SECTION 722.** ORS 430.424 is amended to read:

3 430.424. Consistent with the budget priority policies adopted by the Alcohol and Drug Policy
4 Commission, the Oregon [*Health Authority*] **Department of Health** shall distribute moneys in the
5 Drug Prevention and Education Fund established in ORS 430.422 based on a review of the plans
6 submitted to the office under ORS 430.420. Funding criteria include, but need not be limited to,
7 whether the plan includes the existence or development of a drug treatment court or a drug diver-
8 sion program.

9 **SECTION 723.** ORS 430.426 is amended to read:

10 430.426. (1) The Oregon [*Health Authority*] **Department of Health** shall adopt rules necessary
11 to carry out the provisions of ORS 430.420 to 430.426.

12 (2) The [*authority*] **department** may accept gifts, grants and donations from any source, public
13 or private. Moneys accepted under this section must be deposited in the Drug Prevention and Edu-
14 cation Fund to be used for the purposes for which the fund is established.

15 **SECTION 724.** ORS 430.450 is amended to read:

16 430.450. As used in ORS 430.450 to 430.555, unless the context requires otherwise:

17 [(1) "*Authority*" means the Oregon Health Authority.]

18 [(2)] (1) "Community diversion plan" means a system of services approved and monitored by the
19 Oregon [*Health Authority*] **Department of Health** in accordance with approved county mental
20 health plans, which may include but need not be limited to, medical, educational, vocational, social
21 and psychological services, training, counseling, provision for residential care, and other
22 rehabilitative services designed to benefit the defendant and protect the public.

23 [(3)] (2) "Crimes of violence against the person" means criminal homicide, assault and related
24 offenses as defined in ORS 163.165 to 163.208, rape and sexual abuse, incest, or any other crime in-
25 volving the use of a deadly weapon or which results in physical harm or death to a victim.

26 [(4)] (3) "Diversion" means the referral or transfer from the criminal justice system into a pro-
27 gram of treatment or rehabilitation of a defendant diagnosed as drug dependent and in need of
28 treatment at [*authority approved*] sites **approved by the Oregon Department of Health**, on the
29 condition that the defendant successfully fulfills the specified obligations of a program designed for
30 rehabilitation.

31 [(5)] (4) "Diversion coordinator" means a person designated by a county mental health program
32 director to work with the criminal justice system and health care delivery system to screen de-
33 fendants who may be suitable for diversion; to coordinate the formulation of individual diversion
34 plans for such defendants; and to report to the court the performance of those defendants being
35 treated under an individual diversion plan.

36 [(6)] (5) "Director of the treatment facility" means the person in charge of treatment and reha-
37 bilitation programs at the treatment facility.

38 [(7)] (6) "Drug abuse" means repetitive, excessive use of a drug or controlled substance short
39 of dependence, without medical supervision, which may have a detrimental effect on the individual
40 or society.

41 [(8)] (7) "Drug-dependent person" means one who has lost the ability to control the personal use
42 of controlled substances or other substances with abuse potential, or who uses such substances or
43 controlled substances to the extent that the health of the person or that of others is substantially
44 impaired or endangered or the social or economic function of the person is substantially disrupted.
45 A drug-dependent person may be physically dependent, a condition in which the body requires a

1 continuing supply of a drug or controlled substance to avoid characteristic withdrawal symptoms,
2 or psychologically dependent, a condition characterized by an overwhelming mental desire for con-
3 tinued use of a drug or controlled substance.

4 [(9)] (8) "Evaluation" means any diagnostic procedures used in the determination of drug de-
5 pendency, and may include but are not limited to chemical testing, medical examinations and inter-
6 views.

7 [(10)] (9) "Individual diversion plan" means a system of services tailored to the individual's
8 unique needs as identified in the evaluation, which may include but need not be limited to medical,
9 educational, vocational, social and psychological services, training, counseling, provision for resi-
10 dential care, and other rehabilitative services designed to benefit the defendant and protect the
11 public. The plan shall include appropriate methods for monitoring the individual's progress toward
12 achievement of the defined treatment objectives and shall also include periodic review by the court.

13 [(11)] (10) "Treatment facility" means detoxification centers, outpatient clinics, residential care
14 facilities, hospitals and such other facilities determined to be suitable by the [authority] **Oregon**
15 **Department of Health** as meeting minimum standards under ORS 430.357, any of which may pro-
16 vide diagnosis and evaluation, medical care, detoxification, social services or rehabilitation.

17 **SECTION 725.** ORS 430.535 is amended to read:

18 430.535. (1) The Oregon [Health Authority] **Department of Health** shall, subject to the avail-
19 ability of funds, develop bilingual forms to assist non-English-speaking persons in understanding
20 their rights under ORS 430.450 to 430.555.

21 (2) The [authority] **department** shall assist county mental health programs in the development
22 of comprehensive and coordinated identification, evaluation, treatment, education and rehabilitation
23 services for the drug-dependent person. The State Plan for Drug Problems shall be consistent with
24 such system.

25 **SECTION 726.** ORS 430.540 is amended to read:

26 430.540. (1) The county mental health program director shall designate sites for evaluation in
27 the county plan of individuals who may be or are known to be drug dependent. The Oregon [Health
28 Authority] **Department of Health** shall establish standards for such sites, consistent with ORS
29 430.357, and periodically publish a list of approved sites.

30 (2) The costs of evaluation shall be borne by the county of appropriate jurisdiction.

31 **SECTION 727.** ORS 430.545 is amended to read:

32 430.545. (1) Evaluation sites provided for under ORS 430.450 to 430.555 shall conduct such pro-
33 cedures as may be necessary to determine if an individual is a drug-dependent person. A person shall
34 be evaluated only with that person's written consent. Subject to approval of the Oregon [Health
35 Authority] **Department of Health**, the director of a treatment facility or the director of an evalu-
36 ation site may designate personnel to provide treatment or evaluation as appropriate under the
37 lawful limitations of their certification, licensure or professional practice.

38 (2) Antagonist drugs may be administered for diagnosis of addiction by a registered nurse at an
39 approved site when the nurse has completed required training and a physician or naturopathic
40 physician is available on call. Antagonist drugs shall not be administered without informed written
41 consent of the person.

42 **SECTION 728.** ORS 430.560 is amended to read:

43 430.560. (1) The Oregon [Health Authority] **Department of Health** shall adopt rules to establish
44 requirements, in accordance with ORS 430.357, for drug treatment programs that contract with the
45 [authority] **department** and that involve:

- 1 (a) Detoxification;
- 2 (b) Detoxification with acupuncture and counseling; and
- 3 (c) The supplying of synthetic opiates to such persons under close supervision and control.

4 However, the supplying of synthetic opiates shall be used only when detoxification or detoxification
 5 with acupuncture and counseling has proven ineffective or upon a written request of a physician
 6 licensed by the Oregon Medical Board or a naturopathic physician licensed by the Oregon Board
 7 of Naturopathic Medicine showing medical need for synthetic opiates. A copy of the request must
 8 be included in the client’s permanent treatment and releasing [authority] **department** records.

9 (2) Notwithstanding subsection (1) of this section, synthetic opiates may be made available to a
 10 pregnant woman with her informed consent without prior resort to the treatment programs de-
 11 scribed in subsection (1)(a) and (b) of this section.

12 **SECTION 729.** ORS 430.565 is amended to read:

13 430.565. The provisions of any law restricting the use, possession, control or administration of
 14 a controlled substance shall not apply to any physician, pharmacist or other person while partic-
 15 ipating in the program authorized by ORS 430.560 (1)(c) so long as the physician, pharmacist or
 16 other person complies with provisions of ORS 430.560 and this section and the rules of the Oregon
 17 [Health Authority] **Department of Health** made pursuant to ORS 430.560 and this section.

18 **SECTION 730.** ORS 430.570 is amended to read:

19 430.570. The Oregon [Health Authority] **Department of Health** shall cause information con-
 20 cerning the usefulness and feasibility of opiate inhibitors to be made available to persons involved
 21 in administering diversion programs, corrections programs and other programs for drug dependent
 22 persons.

23 **SECTION 731.** ORS 430.572 is amended to read:

24 430.572. (1) The Oregon [Health Authority] **Department of Health** shall develop and regularly
 25 update a web-based, searchable inventory of the following:

- 26 (a) Each opioid and opiate abuse or dependency treatment provider located in this state;
- 27 (b) Treatment options offered by each opioid and opiate abuse or dependency treatment provider
 28 located in this state; and
- 29 (c) The maximum capacity of each opioid and opiate abuse or dependency treatment provider
 30 located in this state.

31 (2) The [authority] **department** shall post the inventory developed under subsection (1) of this
 32 section on a website of the [authority] **department**.

33 **SECTION 732.** ORS 430.573 is amended to read:

34 430.573. (1) In developing the inventory required by ORS 430.572, the Oregon [Health
 35 Authority] **Department of Health** shall analyze the data to determine whether identifiable ge-
 36 ographic regions have insufficient treatment options for, or capacity to treat individuals suffering
 37 from, opioid or opiate abuse or dependency.

38 (2) Not later than September 15 of each year, the [authority] **department** shall report to the
 39 interim committees of the Legislative Assembly related to health care, in the manner provided by
 40 ORS 192.245, on identifiable geographic regions that have insufficient treatment options for, or ca-
 41 pacity to treat individuals suffering from, opioid or opiate abuse or dependency.

42 **SECTION 733.** ORS 430.610 is amended to read:

43 430.610. It is declared to be the policy and intent of the Legislative Assembly that:

44 (1) Subject to the availability of funds, services should be available to all persons with mental
 45 or emotional disturbances, developmental disabilities, alcoholism or drug dependence, and persons

1 who are alcohol or drug abusers, regardless of age, county of residence or ability to pay;

2 (2) The Department of Human Services, the Oregon [*Health Authority*] **Department of Health**
3 and other state agencies shall conduct their activities in the least costly and most efficient manner
4 so that delivery of services to persons with mental or emotional disturbances, developmental disa-
5 bilities, alcoholism or drug dependence, and persons who are alcohol or drug abusers, shall be ef-
6 fective and coordinated;

7 (3) To the greatest extent possible, mental health and developmental disabilities services shall
8 be delivered in the community where the person lives in order to achieve maximum coordination of
9 services and minimum disruption in the life of the person; and

10 (4) The State of Oregon shall encourage, aid and financially assist its county governments in the
11 establishment and development of community mental health programs or community developmental
12 disabilities programs, including but not limited to, treatment and rehabilitation services for persons
13 with mental or emotional disturbances, developmental disabilities, alcoholism or drug dependence,
14 and persons who are alcohol or drug abusers, and prevention of these problems through county ad-
15 ministered community mental health programs or community developmental disabilities programs.

16 **SECTION 734.** ORS 430.620 is amended to read:

17 430.620. (1) The county court or board of county commissioners, or its representatives desig-
18 nated by it for the purpose, of any county, on behalf of the county, may:

19 (a) By contract with and subject to the rules of the Department of Human Services, establish
20 and operate, or contract with a public agency or private corporation for, a community develop-
21 mental disabilities program.

22 (b) In conformity with the rules of the Oregon [*Health Authority*] **Department of Health**, es-
23 tablish and operate, or contract with a public agency or private corporation for, a community mental
24 health program.

25 (c) Cooperate, coordinate or act jointly with any other county or counties or any appropriate
26 officer or agency of such counties in establishing and operating or contracting for a community
27 mental health program or community developmental disabilities program to service all such counties
28 in conformity with the regulations of the [*department or the authority*] **Department of Human**
29 **Services or the Oregon Department of Health.**

30 (d) Expend county moneys for the purposes referred to in paragraph (a), (b) or (c) of this sub-
31 section.

32 (e) Accept and use or expend property or moneys from any public or private source made
33 available for the purposes referred to in paragraph (a), (b) or (c) of this subsection.

34 (2) All officers and agencies of a county, upon request, shall cooperate insofar as possible with
35 the county court or board of county commissioners, or its designated representatives, in conducting
36 programs and carrying on and coordinating activities under subsection (1) of this section.

37 **SECTION 735.** ORS 430.626 is amended to read:

38 430.626. As used in ORS 430.626 to 430.628:

39 (1) "Coordinated care organization" has the meaning given that term in ORS 414.025.

40 (2) "Crisis stabilization center" means a facility licensed by the Oregon [*Health Authority*] **De-**
41 **partment of Health** that meets the requirements adopted by the [*authority*] **department** by rule
42 under ORS 430.627.

43 (3) "Crisis stabilization services" includes diagnosis, stabilization, observation and follow-up re-
44 ferral services provided to individuals in a community-based, developmentally appropriate homelike
45 environment to the extent practicable.

1 (4) “Mobile crisis intervention team” means a team of qualified behavioral health professionals
 2 that may include peer support specialists, as defined in ORS 414.025, and other health care providers
 3 such as nurses or social workers who provide timely, developmentally appropriate and trauma-
 4 informed interventions, screening, assessment, de-escalation and other services necessary to stabilize
 5 an individual experiencing a behavioral health crisis in accordance with requirements established
 6 by the [authority] **department** by rule.

7 (5) “Peer respite center” means voluntary, nonclinical, short-term residential peer support pro-
 8 vided:

9 (a) In a homelike setting to individuals with mental illness, substance use disorder or trauma
 10 response symptoms who are experiencing acute distress, anxiety or emotional pain that may lead to
 11 the need for a higher level of care such as psychiatric inpatient hospital services; and

12 (b) By a peer-run organization and directed and delivered by individuals with lived experience
 13 in coping with, seeking recovery from or overcoming mental illness, substance use disorder or
 14 trauma response challenges.

15 (6) “Veterans Crisis Line” means the crisis hotline maintained by the United States Department
 16 of Veterans Affairs and the United States Department of Health and Human Services.

17 **SECTION 736.** ORS 430.627 is amended to read:

18 430.627. (1) The purposes of ORS 430.626 to 430.628 are to build upon and improve the statewide
 19 coordinated crisis system in this state and to:

20 (a) Remove barriers to accessing quality behavioral health crisis services;

21 (b) Improve equity in behavioral health treatment and ensure culturally, linguistically and de-
 22 velopmentally appropriate responses to individuals experiencing behavioral health crises, in recog-
 23 nition that, historically, crisis response services placed marginalized communities at
 24 disproportionate risk of poor outcomes and criminal justice involvement;

25 (c) Ensure that all residents of this state receive a consistent and effective level of behavioral
 26 health crisis services no matter where they live, work or travel in the state; and

27 (d) Provide increased access to quality community behavioral health services to prevent inter-
 28 actions with the criminal justice system and prevent hospitalizations, if appropriate, by investing in:

29 (A) New technology for a crisis call center system to triage calls and link individuals to
 30 follow-up care;

31 (B) The expansion of mobile crisis intervention teams; and

32 (C) A wide array of crisis stabilization services, including services provided by:

33 (i) Crisis stabilization centers;

34 (ii) Facilities offering short-term respite services;

35 (iii) Peer respite centers;

36 (iv) Behavioral health urgent care walk-in centers; and

37 (v) A crisis hotline center to receive calls, texts and chats from individuals or other crisis
 38 hotlines to provide crisis intervention services and crisis care coordination anywhere in this state
 39 24 hours per day, seven days per week, 365 days per year.

40 (2) The Oregon [Health Authority] **Department of Health** shall adopt by rule requirements for
 41 crisis stabilization centers that, at a minimum, require a center to:

42 (a) Be designed to prevent or ameliorate a behavioral health crisis or reduce acute symptoms
 43 of mental illness or substance use disorder, for individuals who do not require inpatient treatment,
 44 by providing continuous 24-hour observation and supervision;

45 (b) Be staffed 24 hours per day, seven days per week, 365 days per year by a multidisciplinary

1 team capable of meeting the needs of individuals in the community experiencing all levels of crisis,
2 that may include, but is not limited to:

3 (A) Psychiatrists or psychiatric nurse practitioners;

4 (B) Nurses;

5 (C) Licensed or credentialed clinicians in the region where the crisis stabilization center is lo-
6 cated who are capable of completing assessments; and

7 (D) Peers with lived experiences similar to the experiences of the individuals served by the
8 center;

9 (c) Have a policy prohibiting rejecting patients brought in or referred by first responders, and
10 have the capacity, at least 90 percent of the time, to accept all referrals;

11 (d) Have services to address substance use crisis issues;

12 (e) Have the capacity to assess physical health needs and provide needed care and a procedure
13 for transferring an individual, if necessary, to a setting that can meet the individual's physical
14 health needs if the facility is unable to provide the level of care required;

15 (f) Offer walk-in and first responder drop-off options;

16 (g) Screen for suicide risk and complete comprehensive suicide risk assessments and planning
17 when clinically indicated;

18 (h) Screen for violence risk and complete more comprehensive violence risk assessments and
19 planning when clinically indicated; and

20 (i) Meet other requirements prescribed by the [authority] **department**.

21 (3) The [authority] **department** shall establish a crisis hotline center to receive calls, texts and
22 chats from the 9-8-8 suicide prevention and behavioral health crisis hotline and to provide crisis
23 intervention services and crisis care coordination anywhere in this state 24 hours per day, seven
24 days per week. The crisis hotline center shall:

25 (a) Have an agreement to participate in the National Suicide Prevention Lifeline network.

26 (b) Meet National Suicide Prevention Lifeline requirements and best practices guidelines for
27 operational and clinical standards and any additional clinical and operational standards prescribed
28 by the [authority] **department**.

29 (c) Record data, provide reports and participate in evaluations and related quality improvement
30 activities.

31 (d) Establish formal agreements to collaborate with other agencies to ensure safe, integrated
32 care for people in crisis who reach out to the 9-8-8 suicide prevention and behavioral health crisis
33 hotline.

34 (e) Contact and coordinate with the local community mental health programs for rapid deploy-
35 ment of a local mobile crisis intervention team and follow-up services as needed.

36 (f) Utilize technologies, including chat and text applications, to provide a no-wrong-door ap-
37 proach for individuals seeking help from the crisis hotline and ensure collaboration among crisis and
38 emergency response systems used throughout this state, such as 9-1-1 and 2-1-1, and with other
39 centers in the National Suicide Prevention Lifeline network.

40 (g) Establish policies and train staff on serving high-risk and specialized populations, including
41 but not limited to lesbian, gay, bisexual, transgender and queer youth, minorities, veterans and in-
42 dividuals who have served in the military, rural residents and individuals with co-occurring disor-
43 ders. Policies and training established under this paragraph must include:

44 (A) Policies and training on transferring calls made to the 9-8-8 suicide prevention and behav-
45 ior health crisis hotline to an appropriate specialized center within or external to the National

1 Suicide Prevention Lifeline network; and

2 (B) Training on providing linguistically and culturally competent care and follow-up services to
3 individuals accessing the 9-8-8 suicide prevention and behavioral health crisis hotline consistent with
4 guidance and policies established by the National Suicide Prevention Lifeline.

5 (4) The staff of the crisis hotline center described in subsection (3) of this section shall:

6 (a) Have access to the most recently reported information regarding available mental health and
7 behavioral health crisis services.

8 (b) Track and maintain data regarding responses to calls, texts and chats to the 9-8-8 suicide
9 prevention and behavioral health crisis hotline.

10 (c) Work to resolve crises with the least invasive intervention possible.

11 (d) Connect callers whose crisis is de-escalated or otherwise managed by hotline staff with ap-
12 propriate follow-on services and undertake follow-up contact with the caller when appropriate.

13 (5) Crisis stabilization services provided to individuals accessing the 9-8-8 suicide prevention and
14 behavioral health crisis hotline shall be reimbursed by the [authority] **department**, coordinated care
15 organizations or commercial insurance, depending on the individual's insurance status.

16 (6) The [authority] **department** shall adopt rules to allow appropriate information sharing and
17 communication across all crisis service providers as necessary to carry out the requirements of this
18 section and shall work in concert with the National Suicide Prevention Lifeline and the Veterans
19 Crisis Line for the purposes of ensuring consistency of public messaging about 9-8-8 suicide pre-
20 vention and behavioral health crisis hotline services.

21 **SECTION 737.** ORS 430.628 is amended to read:

22 430.628. (1) In consultation with local community mental health programs, the Oregon [*Health*
23 *Authority*] **Department of Health** shall, to the extent funding is available, require each community
24 mental health program to provide crisis stabilization services to individuals contacting the 9-8-8 su-
25 icide prevention and behavioral health crisis hotline who need crisis stabilization services in the
26 community by enhancing and expanding the use of mobile crisis intervention teams.

27 (2) A city may request funding from a county to establish and maintain one or more mobile crisis
28 intervention teams.

29 (3) Mobile crisis intervention teams must operate in compliance with rules adopted by the [*au-*
30 *thority*] **department**.

31 **SECTION 738.** ORS 430.629 is amended to read:

32 430.629. The Oregon [*Health Authority*] **Department of Health** may establish committees in
33 accordance with ORS 430.075 or assign tasks to existing agencies, boards or committees to accom-
34 plish the planning required for implementation or ongoing oversight of ORS 430.626 to 430.628 in
35 coordination with the crisis hotline center established under ORS 430.627 (3), the Oregon Depart-
36 ment of Emergency Management, local public health and mental health authorities, hospitals and
37 health systems, coordinated care organizations, as defined in ORS 414.025, telecommunication pro-
38 viders and the National Suicide Prevention Lifeline Local Mental [*Health Authority*] **Department**
39 **of Health**, certified peer support specialists, as defined in ORS 414.025, 9-1-1, law enforcement, in-
40 dividuals with lived experiences in mental illness or substance use disorder, consumers of behavioral
41 health services, including youth and families, and other stakeholders identified by the [*authority*]
42 **department**.

43 **SECTION 739.** ORS 430.630 is amended to read:

44 430.630. (1) In addition to any other requirements that may be established by rule by the Oregon
45 [*Health Authority*] **Department of Health**, each community mental health program, subject to the

1 availability of funds, shall provide the following basic services to persons with alcoholism or drug
2 dependence, and persons who are alcohol or drug abusers:

3 (a) Outpatient services;

4 (b) Aftercare for persons released from hospitals;

5 (c) Training, case and program consultation and education for community agencies, related
6 professions and the public;

7 (d) Guidance and assistance to other human service agencies for joint development of prevention
8 programs and activities to reduce factors causing alcohol abuse, alcoholism, drug abuse and drug
9 dependence; and

10 (e) Age-appropriate treatment options for older adults.

11 (2) As alternatives to state hospitalization, it is the responsibility of the community mental
12 health program to ensure that, subject to the availability of funds, the following services for persons
13 with alcoholism or drug dependence, and persons who are alcohol or drug abusers, are available
14 when needed and approved by the Oregon [*Health Authority*] **Department of Health**:

15 (a) Emergency services on a 24-hour basis, such as telephone consultation, crisis intervention
16 and prehospital screening examination;

17 (b) Care and treatment for a portion of the day or night, which may include day treatment
18 centers, work activity centers and after-school programs;

19 (c) Residential care and treatment in facilities such as halfway houses, detoxification centers
20 and other community living facilities;

21 (d) Continuity of care, such as that provided by service coordinators, community case develop-
22 ment specialists and core staff of federally assisted community mental health centers;

23 (e) Inpatient treatment in community hospitals; and

24 (f) Other alternative services to state hospitalization as defined by the Oregon [*Health*
25 *Authority*] **Department of Health**.

26 (3) In addition to any other requirements that may be established by rule of the Oregon [*Health*
27 *Authority*] **Department of Health**, each community mental health program, subject to the avail-
28 ability of funds, shall provide or ensure the provision of the following services to persons with
29 mental or emotional disturbances:

30 (a) Screening and evaluation to determine the client's service needs;

31 (b) Crisis stabilization to meet the needs of persons with acute mental or emotional disturbances,
32 including the costs of investigations and prehearing detention in community hospitals or other fa-
33 cilities approved by the [*authority*] **department** for persons involved in involuntary commitment
34 procedures;

35 (c) Vocational and social services that are appropriate for the client's age, designed to improve
36 the client's vocational, social, educational and recreational functioning;

37 (d) Continuity of care to link the client to housing and appropriate and available health and
38 social service needs;

39 (e) Psychiatric care in state and community hospitals, subject to the provisions of subsection (4)
40 of this section;

41 (f) Residential services;

42 (g) Medication monitoring;

43 (h) Individual, family and group counseling and therapy;

44 (i) Public education and information;

45 (j) Prevention of mental or emotional disturbances and promotion of mental health;

1 (k) Consultation with other community agencies;

2 (L) Preventive mental health services for children and adolescents, including primary prevention
3 efforts, early identification and early intervention services. Preventive services should be patterned
4 after service models that have demonstrated effectiveness in reducing the incidence of emotional,
5 behavioral and cognitive disorders in children. As used in this paragraph:

6 (A) "Early identification" means detecting emotional disturbance in its initial developmental
7 stage;

8 (B) "Early intervention services" for children at risk of later development of emotional disturb-
9 ances means programs and activities for children and their families that promote conditions, oppor-
10 tunities and experiences that encourage and develop emotional stability, self-sufficiency and
11 increased personal competence; and

12 (C) "Primary prevention efforts" means efforts that prevent emotional problems from occurring
13 by addressing issues early so that disturbances do not have an opportunity to develop; and

14 (m) Preventive mental health services for older adults, including primary prevention efforts,
15 early identification and early intervention services. Preventive services should be patterned after
16 service models that have demonstrated effectiveness in reducing the incidence of emotional and be-
17 havioral disorders and suicide attempts in older adults. As used in this paragraph:

18 (A) "Early identification" means detecting emotional disturbance in its initial developmental
19 stage;

20 (B) "Early intervention services" for older adults at risk of development of emotional disturb-
21 ances means programs and activities for older adults and their families that promote conditions,
22 opportunities and experiences that encourage and maintain emotional stability, self-sufficiency and
23 increased personal competence and that deter suicide; and

24 (C) "Primary prevention efforts" means efforts that prevent emotional problems from occurring
25 by addressing issues early so that disturbances do not have an opportunity to develop.

26 (4) A community mental health program shall assume responsibility for psychiatric care in state
27 and community hospitals, as provided in subsection (3)(e) of this section, in the following circum-
28 stances:

29 (a) The person receiving care is a resident of the county served by the program. For purposes
30 of this paragraph, "resident" means the resident of a county in which the person maintains a current
31 mailing address or, if the person does not maintain a current mailing address within the state, the
32 county in which the person is found, or the county in which a court-committed person with a mental
33 illness has been conditionally released.

34 (b) The person has been hospitalized involuntarily or voluntarily, pursuant to ORS 426.130 or
35 426.220, except for persons confined to the Secure Child and Adolescent Treatment Unit at Oregon
36 State Hospital, or has been hospitalized as the result of a revocation of conditional release.

37 (c) Payment is made for the first 60 consecutive days of hospitalization.

38 (d) The hospital has collected all available patient payments and third-party reimbursements.

39 (e) In the case of a community hospital, the [authority] **department** has approved the hospital
40 for the care of persons with mental or emotional disturbances, the community mental health pro-
41 gram has a contract with the hospital for the psychiatric care of residents and a representative of
42 the program approves voluntary or involuntary admissions to the hospital prior to admission.

43 (5) Subject to the review and approval of the Oregon [Health Authority] **Department of**
44 **Health**, a community mental health program may initiate additional services after the services de-
45 fined in this section are provided.

1 (6) Each community mental health program and the state hospital serving the program's ge-
2 ographic area shall enter into a written agreement concerning the policies and procedures to be
3 followed by the program and the hospital when a patient is admitted to, and discharged from, the
4 hospital and during the period of hospitalization.

5 (7) Each community mental health program shall have a mental health advisory committee, ap-
6 pointed by the board of county commissioners or the county court or, if two or more counties have
7 combined to provide mental health services, the boards or courts of the participating counties or,
8 in the case of a Native American reservation, the tribal council.

9 (8) A community mental health program may request and the [authority] **Oregon Department**
10 **of Health** may grant a waiver regarding provision of one or more of the services described in sub-
11 section (3) of this section upon a showing by the county and a determination by the [authority] **de-**
12 **partment** that persons with mental or emotional disturbances in that county would be better served
13 and unnecessary institutionalization avoided.

14 (9)(a) As used in this subsection, "local mental health authority" means one of the following
15 entities:

16 (A) The board of county commissioners of one or more counties that establishes or operates a
17 community mental health program;

18 (B) The tribal council, in the case of a federally recognized tribe of Native Americans that elects
19 to enter into an agreement to provide mental health services; or

20 (C) A regional local mental health authority comprising two or more boards of county commis-
21 sioners.

22 (b) Each local mental health authority that provides mental health services shall determine the
23 need for local mental health services and adopt a comprehensive local plan for the delivery of
24 mental health services for children, families, adults and older adults that describes the methods by
25 which the local mental health authority shall provide those services. The purpose of the local plan
26 is to create a blueprint to provide mental health services that are directed by and responsive to the
27 mental health needs of individuals in the community served by the local plan. A local mental health
28 authority shall coordinate its local planning with the development of the community health im-
29 provement plan under ORS 414.575 by the coordinated care organization serving the area. The
30 Oregon [Health Authority] **Department of Health** may require a local mental health authority to
31 review and revise the local plan periodically.

32 (c) The local plan shall identify ways to:

33 (A) Coordinate and ensure accountability for all levels of care described in paragraph (e) of this
34 subsection;

35 (B) Maximize resources for consumers and minimize administrative expenses;

36 (C) Provide supported employment and other vocational opportunities for consumers;

37 (D) Determine the most appropriate service provider among a range of qualified providers;

38 (E) Ensure that appropriate mental health referrals are made;

39 (F) Address local housing needs for persons with mental health disorders;

40 (G) Develop a process for discharge from state and local psychiatric hospitals and transition
41 planning between levels of care or components of the system of care;

42 (H) Provide peer support services, including but not limited to drop-in centers and paid peer
43 support;

44 (I) Provide transportation supports; and

45 (J) Coordinate services among the criminal and juvenile justice systems, adult and juvenile

1 corrections systems and local mental health programs to ensure that persons with mental illness
2 who come into contact with the justice and corrections systems receive needed care and to ensure
3 continuity of services for adults and juveniles leaving the corrections system.

4 (d) When developing a local plan, a local mental health authority shall:

5 (A) Coordinate with the budgetary cycles of state and local governments that provide the local
6 mental health authority with funding for mental health services;

7 (B) Involve consumers, advocates, families, service providers, schools and other interested par-
8 ties in the planning process;

9 (C) Coordinate with the local public safety coordinating council to address the services de-
10 scribed in paragraph (c)(J) of this subsection;

11 (D) Conduct a population based needs assessment to determine the types of services needed lo-
12 cally;

13 (E) Determine the ethnic, age-specific, cultural and diversity needs of the population served by
14 the local plan;

15 (F) Describe the anticipated outcomes of services and the actions to be achieved in the local
16 plan;

17 (G) Ensure that the local plan coordinates planning, funding and services with:

18 (i) The educational needs of children, adults and older adults;

19 (ii) Providers of social supports, including but not limited to housing, employment, transportation
20 and education; and

21 (iii) Providers of physical health and medical services;

22 (H) Describe how funds, other than state resources, may be used to support and implement the
23 local plan;

24 (I) Demonstrate ways to integrate local services and administrative functions in order to support
25 integrated service delivery in the local plan; and

26 (J) Involve the local mental health advisory committees described in subsection (7) of this sec-
27 tion.

28 (e) The local plan must describe how the local mental health authority will ensure the delivery
29 of and be accountable for clinically appropriate services in a continuum of care based on consumer
30 needs. The local plan shall include, but not be limited to, services providing the following levels of
31 care:

32 (A) Twenty-four-hour crisis services;

33 (B) Secure and nonsecure extended psychiatric care;

34 (C) Secure and nonsecure acute psychiatric care;

35 (D) Twenty-four-hour supervised structured treatment;

36 (E) Psychiatric day treatment;

37 (F) Treatments that maximize client independence;

38 (G) Family and peer support and self-help services;

39 (H) Support services;

40 (I) Prevention and early intervention services;

41 (J) Transition assistance between levels of care;

42 (K) Dual diagnosis services;

43 (L) Access to placement in state-funded psychiatric hospital beds;

44 (M) Precommitment and civil commitment in accordance with ORS chapter 426; and

45 (N) Outreach to older adults at locations appropriate for making contact with older adults, in-

1 cluding senior centers, long term care facilities and personal residences.

2 (f) In developing the part of the local plan referred to in paragraph (c)(J) of this subsection, the
 3 local mental health authority shall collaborate with the local public safety coordinating council to
 4 address the following:

5 (A) Training for all law enforcement officers on ways to recognize and interact with persons
 6 with mental illness, for the purpose of diverting them from the criminal and juvenile justice systems;

7 (B) Developing voluntary locked facilities for crisis treatment and follow-up as an alternative
 8 to custodial arrests;

9 (C) Developing a plan for sharing a daily jail and juvenile detention center custody roster and
 10 the identity of persons of concern and offering mental health services to those in custody;

11 (D) Developing a voluntary diversion program to provide an alternative for persons with mental
 12 illness in the criminal and juvenile justice systems; and

13 (E) Developing mental health services, including housing, for persons with mental illness prior
 14 to and upon release from custody.

15 (g) Services described in the local plan shall:

16 (A) Address the vision, values and guiding principles described in the Report to the Governor
 17 from the Mental Health Alignment Workgroup, January 2001;

18 (B) Be provided to children, older adults and families as close to their homes as possible;

19 (C) Be culturally appropriate and competent;

20 (D) Be, for children, older adults and adults with mental health needs, from providers appropri-
 21 ate to deliver those services;

22 (E) Be delivered in an integrated service delivery system with integrated service sites or pro-
 23 cesses, and with the use of integrated service teams;

24 (F) Ensure consumer choice among a range of qualified providers in the community;

25 (G) Be distributed geographically;

26 (H) Involve consumers, families, clinicians, children and schools in treatment as appropriate;

27 (I) Maximize early identification and early intervention;

28 (J) Ensure appropriate transition planning between providers and service delivery systems, with
 29 an emphasis on transition between children and adult mental health services;

30 (K) Be based on the ability of a client to pay;

31 (L) Be delivered collaboratively;

32 (M) Use age-appropriate, research-based quality indicators;

33 (N) Use best-practice innovations; and

34 (O) Be delivered using a community-based, multisystem approach.

35 (h) A local mental health authority shall submit to the Oregon [*Health Authority*] **Department**
 36 **of Health** a copy of the local plan and revisions adopted under paragraph (b) of this subsection at
 37 time intervals established by the Oregon [*Health Authority*] **Department of Health**.

38 **SECTION 740.** ORS 430.632 is amended to read:

39 430.632. The Oregon [*Health Authority*] **Department of Health** may require a local mental
 40 health authority to periodically report to the [*Oregon Health Authority*] **department** on the imple-
 41 mentation of the comprehensive local plan adopted under ORS 430.630 (9).

42 **SECTION 741.** ORS 430.634 is amended to read:

43 430.634. (1) In order to improve services to persons with mental or emotional disturbances and
 44 provide information for uniform analysis, each community mental health program shall collect and
 45 report data and evaluate programs in accordance with methods prescribed by the Oregon [*Health*

1 *Authority*] **Department of Health** after consultation with the program directors.

2 (2) Information collected by the [*authority*] **department** under subsection (1) of this section shall
 3 include, but need not be limited to:

- 4 (a) Numbers of persons served;
- 5 (b) Ages of persons served;
- 6 (c) Types of services provided; and
- 7 (d) Cost of services.

8 (3) Within the limits of available funds allocated for the administration of community mental
 9 health programs, community mental health programs shall collect data and evaluate programs with
 10 moneys provided by the [*authority*] **department**. The [*authority*] **department** shall distribute funds
 11 so that programs within the same population grouping shall receive equal amounts of funds. The
 12 population groupings are:

- 13 (a) More than 400,000 population.
- 14 (b) Less than 400,000 but more than 100,000.
- 15 (c) Less than 100,000 but more than 50,000.
- 16 (d) Less than 50,000.

17 (4) During the first biennium that a new service is funded by the [*authority*] **department**, two
 18 percent of the service funds shall be set aside for use in data collection and evaluation of the ser-
 19 vice. Thereafter, the service shall be evaluated as a part of the total community mental health pro-
 20 gram.

21 **SECTION 742.** ORS 430.637 is amended to read:

22 430.637. (1) As used in this section:

23 (a) “Assessment” means an on-site quality assessment of an organizational provider that is con-
 24 ducted:

25 (A) If the provider has not been accredited by a national organization meeting the quality
 26 standards of the Oregon [*Health Authority*] **Department of Health**;

27 (B) By the Oregon [*Health Authority*] **Department of Health**, another state agency or a con-
 28 tractor on behalf of the [*authority*] **department** or another state agency; and

29 (C) For the purpose of issuing a certificate of approval.

30 (b) “Organizational provider” means an organization that provides mental health treatment or
 31 chemical dependency treatment and is not a coordinated care organization.

32 (2) The Oregon [*Health Authority*] **Department of Health** shall convene a committee, in ac-
 33 cordance with ORS 183.333, to advise the [*authority*] **department** with respect to the adoption, by
 34 rule, of criteria for an assessment. The advisory committee shall advise the [*authority*] **department**
 35 during the development of the criteria. The advisory committee shall be reconvened as needed to
 36 advise the [*authority*] **department** with respect to updating the criteria to conform to changes in
 37 national accreditation standards or federal requirements for health plans and to advise the
 38 [*authority*] **department** on opportunities to improve the assessment process. The advisory committee
 39 shall include, but is not limited to:

- 40 (a) A representative of each coordinated care organization certified by the [*authority*] **depart-**
 41 **ment**;
- 42 (b) Representatives of organizational providers;
- 43 (c) Representatives of insurers and health care service contractors that have been accredited
 44 by the National Committee for Quality Assurance; and
- 45 (d) Representatives of insurers that offer Medicare Advantage Plans that have been accredited

1 by the National Committee for Quality Assurance.

2 (3) The advisory committee described in subsection (2) of this section shall recommend:

3 (a) Objective criteria for a shared assessment tool that complies with national accreditation
4 standards and federal requirements for health plans;

5 (b) Procedures for conducting an assessment;

6 (c) Procedures to eliminate redundant reporting requirements for organizational providers; and

7 (d) A process for addressing concerns that arise between assessments regarding compliance with
8 quality standards.

9 (4) If another state agency, or a contractor on behalf of the state agency, conducts an assess-
10 ment that meets the criteria adopted by the [authority] **department** under subsection (2) of this
11 section, the [authority] **department** may rely on the assessment as evidence that the organizational
12 provider meets the assessment requirement for receiving a certificate of approval.

13 (5) The [authority] **department** shall provide a report of an assessment to the organizational
14 provider that was assessed and, upon request, to a coordinated care organization, insurer or health
15 care service contractor.

16 (6) If an organizational provider has not been accredited by a national organization that is ac-
17 ceptable to a coordinated care organization, the coordinated care organization shall rely on the as-
18 sessment conducted in accordance with the criteria adopted under subsection (2) of this section as
19 evidence that the organizational provider meets the assessment requirement.

20 (7) This section does not:

21 (a) Prevent a coordinated care organization from requiring its own on-site quality assessment if
22 the [authority] **department**, another state agency or a contractor on behalf of the [authority] **de-**
23 **partment** or another state agency has not conducted an assessment in the preceding 36-month pe-
24 riod; or

25 (b) Require a coordinated care organization to contract with an organizational provider.

26 (8)(a) The [authority] **department** shall adopt by rule standards for determining whether infor-
27 mation requested by a coordinated care organization from an organizational provider is redundant
28 with respect to the reporting requirements for an assessment or if the information is outside of the
29 scope of the assessment criteria.

30 (b) A coordinated care organization may request additional information from an organizational
31 provider, in addition to the report of the assessment, if the request:

32 (A) Is not redundant and is within the scope of the assessment according to standards adopted
33 by the [authority] **department** as described in this subsection; and

34 (B) Is necessary to resolve questions about whether an organizational provider meets the coor-
35 dinated care organization's policies and procedures for credentialing.

36 (c) The [authority] **department** shall implement a process for resolving a complaint by an or-
37 ganizational provider that a reporting requirement imposed by a coordinated care organization is
38 redundant or outside of the scope of the assessment criteria.

39 (9)(a) The [authority] **department** shall establish and maintain a database containing the docu-
40 ments required by coordinated care organizations for the purpose of credentialing an organizational
41 provider.

42 (b) With the advice of the committee described in subsection (2) of this section, the [authority]
43 **department** shall adopt by rule the content and operational function of the database including, at
44 a minimum:

45 (A) The types of organizational providers for which information is stored in the database;

1 (B) The types and contents of documents that are stored in the database;

2 (C) The frequency by which the documents the [authority] **department** shall obtain updated
3 documents;

4 (D) The means by which the [authority] **department** will obtain the documents; and

5 (E) The means by which coordinated care organizations can access the documents in the data-
6 base.

7 (c) The [authority] **department** shall provide training to coordinated care organization staff who
8 are responsible for processing credentialing requests on the use of the database.

9 **SECTION 743.** ORS 430.640 is amended to read:

10 430.640. (1) The Oregon [Health Authority] **Department of Health**, in carrying out the legisla-
11 tive policy declared in ORS 430.610, subject to the availability of funds, shall:

12 (a) Assist Oregon counties and groups of Oregon counties in the establishment and financing
13 of community mental health programs operated or contracted for by one or more counties.

14 (b) If a county declines to operate or contract for a community mental health program, contract
15 with another public agency or private corporation to provide the program. The county must be
16 provided with an opportunity to review and comment.

17 (c) In an emergency situation when no community mental health program is operating within a
18 county or when a county is unable to provide a service essential to public health and safety, operate
19 the program or service on a temporary basis.

20 (d) At the request of the tribal council of a federally recognized tribe of Native Americans,
21 contract with the tribal council for the establishment and operation of a community mental health
22 program in the same manner in which the [authority] **department** contracts with a county court or
23 board of county commissioners.

24 (e) If a county agrees, contract with a public agency or private corporation for all services
25 within one or more of the following program areas:

26 (A) Mental or emotional disturbances.

27 (B) Drug abuse.

28 (C) Alcohol abuse and alcoholism.

29 (f) Approve or disapprove the local plan and budget information for the establishment and op-
30 eration of each community mental health program. Subsequent amendments to or modifications of
31 an approved plan or budget information involving more than 10 percent of the state funds provided
32 for services under ORS 430.630 may not be placed in effect without prior approval of the
33 [authority] **department**. However, an amendment or modification affecting 10 percent or less of state
34 funds for services under ORS 430.630 within the portion of the program for persons with mental or
35 emotional disturbances or within the portion for persons with alcohol or drug dependence may be
36 made without [authority] **department** approval.

37 (g) Make all necessary and proper rules to govern the establishment and operation of community
38 mental health programs, including adopting rules defining the range and nature of the services
39 which shall or may be provided under ORS 430.630.

40 (h) Collect data and evaluate services in the state hospitals in accordance with the same meth-
41 ods prescribed for community mental health programs under ORS 430.634.

42 (i) Develop guidelines that include, for the development of comprehensive local plans in consul-
43 tation with local mental health authorities:

44 (A) The use of integrated services;

45 (B) The outcomes expected from services and programs provided;

- 1 (C) Incentives to reduce the use of state hospitals;
- 2 (D) Mechanisms for local sharing of risk for state hospitalization;
- 3 (E) The provision of clinically appropriate levels of care based on an assessment of the mental
4 health needs of consumers;
- 5 (F) The transition of consumers between levels of care; and
- 6 (G) The development, maintenance and continuation of older adult mental health programs with
7 mental health professionals trained in geriatrics.
- 8 (j) Work with local mental health authorities to provide incentives for community-based care
9 whenever appropriate while simultaneously ensuring adequate statewide capacity.
- 10 (k) Provide technical assistance and information regarding state and federal requirements to
11 local mental health authorities throughout the local planning process required under ORS 430.630
12 (9).
- 13 (L) Provide incentives for local mental health authorities to enhance or increase vocational
14 placements for adults with mental health needs.
- 15 (m) Develop or adopt nationally recognized system-level performance measures, linked to the
16 Oregon Benchmarks, for state-level monitoring and reporting of mental health services for children,
17 adults and older adults, including but not limited to quality and appropriateness of services, out-
18 comes from services, structure and management of local plans, prevention of mental health disorders
19 and integration of mental health services with other needed supports.
- 20 (n) Develop standardized criteria for each level of care described in ORS 430.630 (9), including
21 protocols for implementation of local plans, strength-based mental health assessment and case plan-
22 ning.
- 23 (o) Develop a comprehensive long-term plan for providing appropriate and adequate mental
24 health treatment and services to children, adults and older adults that is derived from the needs
25 identified in local plans, is consistent with the vision, values and guiding principles in the Report
26 to the Governor from the Mental Health Alignment Workgroup, January 2001, and addresses the
27 need for and the role of state hospitals.
- 28 (p) Report biennially to the Governor and the Legislative Assembly on the progress of the local
29 planning process and the implementation of the local plans adopted under ORS 430.630 (9)(b) and the
30 state planning process described in paragraph (o) of this subsection, and on the performance meas-
31 ures and performance data available under paragraph (m) of this subsection.
- 32 (q) On a periodic basis, not to exceed 10 years, reevaluate the methodology used to estimate
33 prevalence and demand for mental health services using the most current nationally recognized
34 models and data.
- 35 (r) Encourage the development of regional local mental health authorities comprised of two or
36 more boards of county commissioners that establish or operate a community mental health program.
- 37 (2) The Oregon [*Health Authority*] **Department of Health** may provide technical assistance and
38 other incentives to assist in the planning, development and implementation of regional local mental
39 health authorities whenever the Oregon [*Health Authority*] **Department of Health** determines that
40 a regional approach will optimize the comprehensive local plan described under ORS 430.630 (9).
- 41 (3) The enumeration of duties and functions in subsections (1) and (2) of this section shall not
42 be deemed exclusive nor construed as a limitation on the powers and authority vested in the [*au-*
43 *thority*] **department** by other provisions of law.
- 44 **SECTION 744.** ORS 430.641 is amended to read:
- 45 430.641. (1) The Behavioral Health Housing Incentive Fund is established in the State Treasury,

1 separate and distinct from the General Fund. The Behavioral Health Housing Incentive Fund con-
 2 sists of moneys deposited or transferred to the fund by the Legislative Assembly and moneys ap-
 3 propriated to the fund by the Legislative Assembly. Interest earned on the fund shall be credited to
 4 the fund.

5 (2) Moneys in the Behavioral Health Housing Incentive Fund are continuously appropriated to
 6 the Oregon [*Health Authority*] **Department of Health** to carry out the provisions of ORS 430.643.

7 **SECTION 745.** ORS 430.643 is amended to read:

8 430.643. (1) The Oregon [*Health Authority*] **Department of Health** shall disburse moneys in the
 9 Behavioral Health Housing Incentive Fund established in ORS 430.641 to provide funding for:

10 (a) The development of community-based housing, including licensed residential treatment facil-
 11 ities, for individuals with mental illness and individuals with substance use disorders; and

12 (b) Crisis intervention services, rental subsidies and other housing-related services to help keep
 13 individuals with mental illness and individuals with substance use disorders safe and healthy in their
 14 communities.

15 (2) The [*authority*] **department** shall provide funding for:

16 (a) A portion of the costs to purchase land and to construct housing described in subsection
 17 (1)(a) of this section; and

18 (b) Up to 50 percent of the start-up costs for providing housing described in subsection (1)(a) of
 19 this section, including but not limited to fixtures, furnishings and training of staff.

20 (3)(a) The [*authority*] **department** shall prescribe the financing mechanisms to be used to pro-
 21 vide funding under subsection (2)(a) of this section of up to 35 percent of the total project develop-
 22 ment costs.

23 (b) The [*authority*] **department** may waive the 35 percent limit on total project development
 24 costs under paragraph (a) of this subsection for a low-cost project or to meet a critical need in a
 25 rural area.

26 (4) The [*authority*] **department** shall convene an advisory group to make recommendations to
 27 the [*authority*] **department** for:

28 (a) The allocation of moneys between different types of housing;

29 (b) The financing of housing described in subsection (1)(a) of this section;

30 (c) The provision of services described in subsection (1)(b) of this section;

31 (d) Soliciting funding proposals; and

32 (e) Processing applications for funding.

33 (5) The advisory group convened under subsection (4) of this section must include:

34 (a) One representative of a private provider of mental health treatment;

35 (b) One representative of a private provider of substance abuse treatment;

36 (c) Two representatives of groups that advocate on behalf of consumers of mental health or
 37 substance abuse treatment;

38 (d) One staff person from the Housing and Community Services Department;

39 (e) One staff person from the division of the [*authority*] **department** that regulates mental health
 40 and substance abuse treatment programs;

41 (f) Two consumers of mental health or substance abuse treatment;

42 (g) One representative of a community mental health program;

43 (h) One person with expertise in developing and financing community housing projects in rural
 44 communities; and

45 (i) One representative of community corrections.

SECTION 746. ORS 430.646 is amended to read:

430.646. In allocating funds for community mental health programs affecting persons with mental or emotional disturbances, the Oregon [*Health Authority*] **Department of Health** shall observe the following priorities:

(1) To ensure the establishment and operation of community mental health programs for persons with mental or emotional disturbances in every geographic area of the state to provide some services in each category of services described in ORS 430.630 (3) unless a waiver has been granted;

(2) To ensure survival of services that address the needs of persons within the priority of services under ORS 430.644 and that meet [*authority*] **department** standards;

(3) To develop the interest and capacity of community mental health programs to provide new or expanded services to meet the needs for services under ORS 430.644 and to promote the equal availability of such services throughout the state; and

(4) To encourage and assist in the development of model projects to test new services and innovative methods of service delivery.

SECTION 747. ORS 430.648 is amended to read:

430.648. (1) Within the limits of state funds, community mental health program services shall be funded as follows:

(a) Services defined in ORS 430.630 (1) and (2) shall be funded up to 100 percent with state funds.

(b) State funds available for payments to community mental health programs for services under ORS 430.630 (3) shall be paid by the Oregon [*Health Authority*] **Department of Health** to the programs under the priorities set forth in ORS 430.646.

(2) If a group of counties acts jointly to operate a community mental health program or community developmental disabilities program, state funds shall be allocated, and the counties' contributions shall be prorated, in accordance with the agreement establishing the program.

(3) The counties or other entities operating community mental health programs or community developmental disabilities programs shall not be required to match funds granted under subsections (1) and (2) of this section. However, the Department of Human Services or the Oregon [*Health Authority*] **Department of Health** may require matching funds if they are required as a condition of receipt of federal funds and the county or entity agrees to match funds.

(4) A reasonable portion of state funds granted under subsection (1)(b) of this section may be expended by community mental health programs and their subcontractors for expenses incurred in administering services.

SECTION 748. ORS 430.651 is amended to read:

430.651. (1) If the Oregon [*Health Authority*] **Department of Health** uses a formula for allocating to counties moneys, and if the formula includes population as a factor in determining the amount of each allocation, the [*authority*] **department** shall calculate the formula annually using the most current population data that is available.

(2) The [*authority*] **department** shall use as the source of the population data required by subsection (1) of this section the primary population research center that is part of Portland State University.

SECTION 749. ORS 430.670 is amended to read:

430.670. (1) A community developmental disabilities program may provide services by contracting with a public agency, private corporation or individual. All elements of service provided for in the contract shall be considered as a part of a community developmental disabilities program for all purposes of ORS 430.610 to 430.695. Contracts authorized by this section shall comply with rules

1 adopted by the Department of Human Services.

2 (2) A community mental health program may provide services by contracting with a public
3 agency, private corporation or individual. All elements of service provided for in the contract shall
4 be considered as a part of a community mental health program for all purposes of ORS 430.610 to
5 430.695. Contracts authorized by this section shall comply with rules adopted by the Oregon [*Health*
6 *Authority*] **Department of Health**.

7 (3) A private corporation that contracts with a county, the Department of Human Services or
8 the Oregon [*Health Authority*] **Department of Health** to operate a community mental health pro-
9 gram or community developmental disabilities program shall provide an opportunity for competition
10 among private care providers when awarding subcontracts for provision of services described in
11 ORS 430.630 (1) to (3) and 430.664.

12 (4) In keeping with the principles of family support expressed in ORS 417.342 and
13 notwithstanding subsection (3) of this section or ORS 291.047 (3), an entity operating a community
14 mental health program or community developmental disabilities program may purchase services for
15 an individual from a service provider without first providing an opportunity for competition among
16 other service providers if the service provider is selected by the individual, the individual's family
17 or the individual's guardian, as long as the service provider has been approved by the [*department*
18 *or the authority*] **Department of Human Services or the Oregon Department of Health** to pro-
19 vide such service.

20 **SECTION 750.** ORS 430.672 is amended to read:

21 430.672. (1) A county may impose only standards, requirements and conditions for mental health
22 or developmental disabilities programs that are substantially similar to the standards, requirements
23 and conditions established for such programs by the Department of Human Services or the Oregon
24 [*Health Authority*] **Department of Health**.

25 (2) When a county contracts with a public agency or private corporation for a community men-
26 tal health program or community developmental disabilities program, the county shall include in the
27 contract only terms that are substantially similar to model contract terms developed by the [*au-*
28 *thority*] **Oregon Department of Health** under ORS 430.640 or the **Department of Human Services**
29 under ORS 430.662. The county may not add contractual requirements, including qualifications for
30 contractor selection, that are nonessential to the services provided under ORS 430.630 or 430.662.
31 The county may add contract requirements that the county considers necessary to ensure the siting
32 and maintenance of facilities of the community mental health program or community developmental
33 disabilities program.

34 (3) Subsections (1) and (2) of this section apply only insofar as funds are provided by the De-
35 partment **of Human Services** to the county for community developmental disabilities programs or
36 by the [*authority*] **Oregon Department of Health** to the county for community mental health pro-
37 grams and do not apply to programs operated by counties without funding from the [*department or*
38 *the authority*] **Department of Human Services or the Oregon Department of Health**.

39 **SECTION 751.** ORS 430.673 is amended to read:

40 430.673. (1) When a dispute exists between a county and a community developmental disabilities
41 program that is a private corporation or individual regarding the terms of their contract or the in-
42 terpretation of an administrative rule of the Department of Human Services relating to department
43 programs under this chapter, either party may request mediation under rules adopted by the de-
44 partment.

45 (2) When a dispute exists between a county and a community mental health program that is a

1 private corporation or individual regarding the terms of their contract or the interpretation of an
 2 administrative rule of the Oregon [*Health Authority*] **Department of Health** relating to [*authority*]
 3 **department** programs under this chapter, either party may request mediation under rules adopted
 4 by the [*authority*] **department**.

5 (3) A county may not retaliate against a community mental health program or community de-
 6 velopmental disabilities program solely because the program:

7 (a) Requested mediation under subsection (1) or (2) of this section;

8 (b) Requested dispute resolution or filed an appeal under rules adopted by the [*department or the*
 9 *authority*] **Department of Human Services or the Oregon Department of Health**; or

10 (c) Initiated a contested case proceeding otherwise available under ORS chapter 183 with re-
 11 spect to a dispute described in subsection (1) or (2) of this section.

12 (4) For purposes of this section, “retaliate” means an adverse action taken by a county against
 13 a community mental health program or a community developmental disabilities program to:

14 (a) Materially alter or terminate the contract between the county and the community mental
 15 health program or community developmental disabilities program; or

16 (b) Fail to renew the contract between the county and the community mental health program
 17 or community developmental disabilities program.

18 (5) Notwithstanding any other remedy provided by law, a community mental health program or
 19 community developmental disabilities program against which a county has retaliated in violation of
 20 subsection (3) of this section may bring an action against the county for actual damages or \$1,000,
 21 whichever is greater. The court shall award reasonable attorney fees to the prevailing party in an
 22 action under this subsection. An action described in this section shall be considered a tort claim
 23 under ORS 30.260 to 30.300. Except as provided in this section, the provisions of ORS 30.260 to
 24 30.300 apply to an action described in this section.

25 (6) In accordance with any applicable provision of ORS chapter 183, the [*department or the au-*
 26 *thority*] **Department of Human Services or the Oregon Department of Health** may adopt rules
 27 to carry out the provisions of this section.

28 **SECTION 752.** ORS 430.695 is amended to read:

29 430.695. (1) Any program fees, third-party reimbursements, contributions or funds from any
 30 source, except client resources applied toward the cost of care in group homes for persons with
 31 developmental disabilities or mental illness and client resources and third-party payments for com-
 32 munity psychiatric inpatient care, received by a community mental health program or a community
 33 developmental disabilities program are not an offset to the costs of the services and may not be
 34 applied to reduce the program’s eligibility for state funds, providing the funds are expended for
 35 mental health or developmental disabilities services approved by the Oregon [*Health Authority*]
 36 **Department of Health** or the Department of Human Services.

37 (2) Within the limits of available funds, the [*authority and the department*] **Oregon Department**
 38 **of Health and the Department of Human Services** may contract for specialized, statewide and
 39 regional services including but not limited to group homes for persons with developmental disabili-
 40 ties or mental or emotional disturbances, day and residential treatment programs for children and
 41 adolescents with mental or emotional disturbances and community services for clients of the Psy-
 42 chiatric Security Review Board under ORS 161.315 to 161.351.

43 (3) Fees and third-party reimbursements, including all amounts paid pursuant to Title XIX of the
 44 Social Security Act by the Department of Human Services or the Oregon [*Health Authority*] **De-**
 45 **partment of Health**, for mental health services or developmental disabilities services and interest

1 earned on those fees and reimbursements shall be retained by the community mental health program
2 or community developmental disabilities program and expended for any service that meets the
3 standards of ORS 430.630 or 430.662.

4 **SECTION 753.** ORS 430.705 is amended to read:

5 430.705. Notwithstanding ORS 430.640, the State of Oregon, through the Oregon [*Health Au-*
6 *thority*] **Department of Health**, may establish the necessary facilities and provide comprehensive
7 mental health services for children throughout the state. These services may include, but need not
8 be limited to:

9 (1) The prevention of mental illness, emotional disturbances and drug dependency in children;
10 and

11 (2) The treatment of children with mental illness, emotional disturbances and drug dependency.

12 **SECTION 754.** ORS 430.708 is amended to read:

13 430.708. The children's mental health programs of the Oregon [*Health Authority*] **Department**
14 **of Health** shall address preventive services under ORS 430.630 (3)(L). The [*authority*] **department**
15 budget shall give high priority to such services.

16 **SECTION 755.** ORS 430.709 is amended to read:

17 430.709. (1) In accordance with ORS 430.357, and consistent with the budget priority policies
18 adopted by the Alcohol and Drug Policy Commission, the Oregon [*Health Authority*] **Department**
19 **of Health** may fund regional centers for the treatment of adolescents with drug and alcohol de-
20 pendencies.

21 (2) The [*authority*] **department** shall define by rule a minimum number of inpatient beds and
22 outpatient slots necessary for effective treatment and economic operation of any regional center
23 funded by state funds.

24 (3) The areas to be served by any treatment facility shall be determined by the following:

25 (a) Areas that demonstrate the most need;

26 (b) Areas with no treatment program or an inadequate program; and

27 (c) Areas where there is strong, organized community support for youth treatment programs.

28 (4) The area need is determined by the local planning committee for alcohol and drug prevention
29 and treatment services under ORS 430.342 using the following information:

30 (a) Current area youth admissions to treatment programs;

31 (b) Per capita consumption of alcohol in the area;

32 (c) Percentage of area population between 10 and 18 years of age;

33 (d) Whether the area has effective, specialized outpatient and early intervention services in
34 place;

35 (e) Whether the area suffers high unemployment and economic depression; and

36 (f) Other evidence of need.

37 (5) As used in this section, "regional center" means a community residential treatment facility
38 including intensive residential and outpatient care for adolescents with drug and alcohol dependen-
39 cies.

40 **SECTION 756.** ORS 430.715 is amended to read:

41 430.715. The Oregon [*Health Authority*] **Department of Health** may contract for general hospi-
42 tal services and may provide or contract with public or private agencies or persons to provide child
43 care and residential treatment programs to implement the objectives of ORS 430.705. The
44 [*authority*] **department** may also purchase or contract for specific services and supplies for treat-
45 ment of individual children.

1 **SECTION 757.** ORS 430.717 is amended to read:

2 430.717. (1) As used in this section:

3 (a) “Children and adolescents” means individuals 20 years old and younger.

4 (b) “Coordinated care organization” has the meaning given that term in ORS 414.025.

5 (c) “Insurer” means an insurer, as defined in ORS 731.106, that has a certificate of insurance to
6 transact health insurance in this state, other than disability insurance.

7 (d) “Intensive behavioral health treatment provider” means any provider licensed in this state
8 to provide intensive psychiatric treatment, acute inpatient treatment or residential substance use
9 disorder treatment of children and adolescents.

10 (2) Intensive behavioral health treatment providers, coordinated care organizations and insurers
11 shall collect and provide data to the Oregon [*Health Authority*] **Department of Health**, or to a third
12 party vendor that contracts with the [*authority*] **department**, in the manner prescribed by the [*au-*
13 *thority*] **department** on the demand for and capacity to provide treatment of children and adoles-
14 cents presenting with high acuity behavioral health needs. Intensive behavioral health treatment
15 providers shall submit:

16 (a) Data on bed capacity;

17 (b) Referrals received, by provider; and

18 (c) Other information prescribed by the [*authority*] **department**.

19 (3) The [*authority*] **department** may provide funding to intensive behavioral health treatment
20 providers to collect and provide the data described in subsection (2) of this section.

21 (4) The [*authority*] **department** shall use the data described in subsection (2) of this section to:

22 (a) Monitor and track the capacity of intensive behavioral health treatment providers to provide
23 treatment of children and adolescents presenting with high acuity behavioral health needs;

24 (b) Identify gaps in data that prevent the tracking of intensive behavioral health service capac-
25 ity and develop a plan for addressing the gaps that includes providing assistance to providers and
26 modifying required data elements that must be reported;

27 (c) Develop benchmarks and performance measures for intensive behavioral health treatment
28 capacity; and

29 (d) Conduct research and evaluation of the children’s and adolescents’ continuum of care.

30 (5) The [*authority*] **department** shall share data and coordinate processes with the Department
31 of Human Services to populate the Children’s System Data Dashboard described in ORS 418.981.

32 (6) The [*authority*] **Oregon Department of Health** shall adopt rules to carry out the provisions
33 of this section, including rules establishing:

34 (a) Parameters and specifications for data collection;

35 (b) Processes for intensive behavioral health treatment providers to submit data for the estab-
36 lishment of a centralized, real-time provider directory, bed registry and access portal;

37 (c) Requirements for the frequency of data submissions;

38 (d) Requirements for coordinated care organizations and insurers to collect and report, for
39 members and insureds treated by intensive behavioral health treatment providers, data not submit-
40 ted by providers under this section;

41 (e) A process for monitoring and documenting the need for high acuity behavioral health ser-
42 vices for children and adolescents;

43 (f) The [*authority’s*] **department’s** responsibilities for reporting data back to providers; and

44 (g) Measures to ensure compliance with data collection standards established under section 40,
45 chapter 12, Oregon Laws 2020 (first special session).

1 (7) The [authority] **department** shall contract with an Oregon-based nonprofit organization with
2 the expertise to operate a call center dedicated to tracking and providing information about avail-
3 able placement settings for children and adolescents needing high acuity behavioral health services.

4 (8) The call center shall also be responsible for:

5 (a) Implementing processes for service providers to submit data that can be used to assess and
6 monitor, on a daily basis, statewide capacity to provide high acuity behavioral health services to
7 children and adolescents;

8 (b) Recording the time from the first contact with the call center to the location of an appro-
9 priate placement; and

10 (c) Documenting the need for high acuity behavioral health services for children and adoles-
11 cents.

12 **SECTION 758.** ORS 430.725 is amended to read:

13 430.725. The Oregon [Health Authority] **Department of Health** shall have authority to contract
14 with private, nonprofit agencies and persons for receipt of grants-in-aid and other funds to be applied
15 to child mental health service programs.

16 **SECTION 759.** ORS 430.735 is amended to read:

17 430.735. As used in ORS 430.735 to 430.765:

18 (1) "Abuse" means one or more of the following:

19 (a) Abandonment, including desertion or willful forsaking of an adult or the withdrawal or neg-
20 lect of duties and obligations owed an adult by a caregiver or other person.

21 (b) Any physical injury to an adult caused by other than accidental means, or that appears to
22 be at variance with the explanation given of the injury.

23 (c) Willful infliction of physical pain or injury upon an adult.

24 (d) Sexual abuse.

25 (e) Neglect.

26 (f) Verbal abuse of an adult.

27 (g) Financial exploitation of an adult.

28 (h) Involuntary seclusion of an adult for the convenience of the caregiver or to discipline the
29 adult.

30 (i) A wrongful use of a physical or chemical restraint upon an adult, excluding an act of re-
31 straint prescribed by a physician licensed under ORS chapter 677, physician assistant licensed under
32 ORS 677.505 to 677.525, naturopathic physician licensed under ORS chapter 685 or nurse practi-
33 tioner licensed under ORS 678.375 to 678.390 and any treatment activities that are consistent with
34 an approved treatment plan or in connection with a court order.

35 (j) An act that constitutes a crime under ORS 163.375, 163.405, 163.411, 163.415, 163.425, 163.427,
36 163.465 or 163.467.

37 (k) Any death of an adult caused by other than accidental or natural means.

38 (2) "Adult" means a person 18 years of age or older:

39 (a) With a developmental disability who is currently receiving services from a community pro-
40 gram or facility or who was previously determined eligible for services as an adult by a community
41 program or facility;

42 (b) With a severe and persistent mental illness who is receiving mental health treatment from
43 a community program; or

44 (c) Who is receiving services for a substance use disorder or a mental illness in a facility or a
45 state hospital.

1 (3) "Adult protective services" means the necessary actions taken to prevent abuse or exploi-
2 tation of an adult, to prevent self-destructive acts and to safeguard the adult's person, property and
3 funds, including petitioning for a protective order as defined in ORS 125.005. Any actions taken to
4 protect an adult shall be undertaken in a manner that is least intrusive to the adult and provides
5 for the greatest degree of independence.

6 (4) "Caregiver" means an individual, whether paid or unpaid, or a facility that has assumed re-
7 sponsibility for all or a portion of the care of an adult as a result of a contract or agreement.

8 (5) "Community program" includes:

9 (a) A community mental health program or a community developmental disabilities program as
10 established in ORS 430.610 to 430.695; or

11 (b) A provider that is paid directly or indirectly by the Oregon [*Health Authority*] **Department**
12 **of Health** to provide mental health treatment in the community.

13 (6) "Facility" means a residential treatment home or facility, residential care facility, adult fos-
14 ter home, residential training home or facility or crisis respite facility.

15 (7) "Financial exploitation" means:

16 (a) Wrongfully taking the assets, funds or property belonging to or intended for the use of an
17 adult.

18 (b) Alarming an adult by conveying a threat to wrongfully take or appropriate money or prop-
19 erty of the adult if the adult would reasonably believe that the threat conveyed would be carried
20 out.

21 (c) Misappropriating, misusing or transferring without authorization any money from any ac-
22 count held jointly or singly by an adult.

23 (d) Failing to use the income or assets of an adult effectively for the support and maintenance
24 of the adult.

25 (8) "Intimidation" means compelling or deterring conduct by threat.

26 (9) "Law enforcement agency" means:

27 (a) Any city or municipal police department;

28 (b) A police department established by a university under ORS 352.121 or 353.125;

29 (c) Any county sheriff's office;

30 (d) The Oregon State Police; or

31 (e) Any district attorney.

32 (10) "Neglect" means:

33 (a) Failure to provide the care, supervision or services necessary to maintain the physical and
34 mental health of an adult that may result in physical harm or significant emotional harm to the
35 adult;

36 (b) Failure of a caregiver to make a reasonable effort to protect an adult from abuse; or

37 (c) Withholding of services necessary to maintain the health and well-being of an adult that
38 leads to physical harm of the adult.

39 (11) "Public or private official" means:

40 (a) Physician licensed under ORS chapter 677, physician assistant licensed under ORS 677.505
41 to 677.525, naturopathic physician, psychologist or chiropractor, including any intern or resident;

42 (b) Licensed practical nurse, registered nurse, nurse's aide, home health aide or employee of an
43 in-home health service;

44 (c) Employee of the Department of Human Services or **the Oregon** [*Health Authority*] **Depart-**
45 **ment of Health**, a local health department, a community mental health program or a community

1 developmental disabilities program or private agency contracting with a public body to provide any
 2 community mental health service;

3 (d) Peace officer;

4 (e) Member of the clergy;

5 (f) Regulated social worker;

6 (g) Physical, speech or occupational therapist;

7 (h) Information and referral, outreach or crisis worker;

8 (i) Attorney;

9 (j) Licensed professional counselor or licensed marriage and family therapist;

10 (k) Any public official;

11 (L) Firefighter or emergency medical services provider;

12 (m) Elected official of a branch of government of this state or a state agency, board, commission
 13 or department of a branch of government of this state or of a city, county or other political subdi-
 14 vision in this state;

15 (n) Personal support worker, as defined in ORS 410.600;

16 (o) Home care worker, as defined in ORS 410.600; or

17 (p) Individual paid by the Department of Human Services to provide a service identified in an
 18 individualized service plan of an adult with a developmental disability.

19 (12) "Services" includes but is not limited to the provision of food, clothing, medicine, housing,
 20 medical services, assistance with bathing or personal hygiene or any other service essential to the
 21 well-being of an adult.

22 (13)(a) "Sexual abuse" means:

23 (A) Sexual contact with a nonconsenting adult or with an adult considered incapable of con-
 24 senting to a sexual act under ORS 163.315;

25 (B) Sexual harassment, sexual exploitation or inappropriate exposure to sexually explicit mate-
 26 rial or language;

27 (C) Any sexual contact between an employee of a facility or paid caregiver and an adult served
 28 by the facility or caregiver;

29 (D) Any sexual contact between an adult and a relative of the adult other than a spouse;

30 (E) Any sexual contact that is achieved through force, trickery, threat or coercion; or

31 (F) Any sexual contact between an individual receiving mental health or substance abuse
 32 treatment and the individual providing the mental health or substance abuse treatment.

33 (b) "Sexual abuse" does not mean consensual sexual contact between an adult and a paid
 34 caregiver who is the spouse of the adult.

35 (14) "Sexual contact" has the meaning given that term in ORS 163.305.

36 (15) "Verbal abuse" means to threaten significant physical or emotional harm to an adult
 37 through the use of:

38 (a) Derogatory or inappropriate names, insults, verbal assaults, profanity or ridicule; or

39 (b) Harassment, coercion, threats, intimidation, humiliation, mental cruelty or inappropriate
 40 sexual comments.

41 **SECTION 760.** ORS 430.739 is amended to read:

42 430.739. (1) The district attorney in each county shall be responsible for developing county
 43 multidisciplinary teams to consist of but not be limited to personnel from the community mental
 44 health program, the community developmental disabilities program, the Department of Human Ser-
 45 vices or a **department** designee [*of the department*], the Oregon [*Health Authority*] **Department of**

1 **Health** or a **department** designee [*of the authority*], the local area agency on aging, the district
 2 attorney's office, law enforcement and an agency that advocates on behalf of individuals with disa-
 3 bilities, as well as others specially trained in the abuse of adults. A district attorney may delegate
 4 the responsibility to develop a county multidisciplinary team under this subsection to a designee or
 5 administrator who is or will be a member of the team pursuant to a written agreement.

6 (2) The teams shall develop a written protocol for immediate investigation of and notification
 7 procedures for cases of abuse of adults and for interviewing the victims. Each team also shall de-
 8 velop written agreements signed by member agencies that are represented on the team that specify:

- 9 (a) The role of each member agency;
- 10 (b) Procedures to be followed to assess risks to the adult;
- 11 (c) Guidelines for timely communication between member agencies; and
- 12 (d) Guidelines for completion of responsibilities by member agencies.

13 (3) Each team member shall have access to training in risk assessment, dynamics of abuse of
 14 adults and legally sound interview and investigatory techniques.

15 (4) All investigations of abuse of adults by the Department **of Human Services** or its
 16 designee, or the [*authority*] **Oregon Department of Health** or its designee, and by law enforcement
 17 shall be carried out in a manner consistent with the protocols and procedures called for in this
 18 section.

19 (5) All information obtained by the team members in the exercise of their duties is confidential.

20 (6) Each team shall develop and implement procedures for evaluating and reporting compliance
 21 of member agencies with the protocols and procedures required under this section.

22 (7) Each team shall report to the Department of Justice and the Oregon Criminal Justice Com-
 23 mission, no later than July 1 of each year, the number of:

- 24 (a) Substantiated allegations of abuse of adults in the county for the preceding calendar year.
- 25 (b) Substantiated allegations of abuse referred to law enforcement because there was reasonable
 26 cause found that a crime had been committed.
- 27 (c) Allegations of abuse that were not investigated by law enforcement.
- 28 (d) Allegations of abuse that led to criminal charges.
- 29 (e) Allegations of abuse that led to prosecution.
- 30 (f) Allegations of abuse that led to conviction.

31 **SECTION 761.** ORS 430.850 is amended to read:

32 430.850. (1) Subject to the availability of funds therefor, the Oregon [*Health Authority*] **Depart-**
 33 **ment of Health** may establish and administer a treatment program with courts, with the consent
 34 of the judge thereof, for any person convicted of driving under the influence of alcohol, or of any
 35 crime committed while the defendant was intoxicated when the judge has probable cause to believe
 36 the person is an alcoholic or problem drinker and would benefit from treatment, who is eligible un-
 37 der subsection (2) of this section to participate in such program. The program must meet minimum
 38 standards established by the [*authority*] **department** under ORS 430.357.

39 (2) A person eligible to participate in the program is a person who:

40 (a)(A) Has been convicted of driving under the influence of alcohol if such conviction has not
 41 been appealed, or if such conviction has been appealed, whose conviction has been sustained upon
 42 appeal; or

43 (B) Has been convicted of any crime committed while the defendant was intoxicated if such
 44 conviction has not been reversed on appeal, and when the judge has probable cause to believe the
 45 person is an alcoholic or problem drinker and would benefit from treatment; and

1 (b)(A) Has been referred by the participating court to the [authority] **department** for partic-
2 ipation in the treatment program;

3 (B) Prior to sentencing, has been medically evaluated by the [authority] **department** and ac-
4 cepted by the [authority] **department** as a participant in the program;

5 (C) Has consented as a condition to probation to participate in the program; and

6 (D) Has been sentenced to probation by the court, a condition of which probation is partic-
7 ipation in the program according to the rules adopted by the [authority] **department** under ORS
8 430.870.

9 **SECTION 762.** ORS 430.860 is amended to read:

10 430.860. The Oregon [Health Authority] **Department of Health** may:

11 (1) Accept for medical evaluation any person meeting the conditions defined in ORS 430.850
12 (2)(a) and referred for participation in the program by a participating court, cause such medical
13 evaluation to be made and report the results of the evaluation to the referring court;

14 (2) Within the limitation of funds available to the program, accept any person as a participant
15 in the program who is eligible under ORS 430.850 (2) and whose medical evaluation shows the person
16 suitable to participate in the program; and

17 (3) Report to the referring court the progress of, and any violation of rules of the [authority]
18 **department** adopted under ORS 430.870 by, a participant.

19 **SECTION 763.** ORS 430.870 is amended to read:

20 430.870. The Oregon [Health Authority] **Department of Health** shall adopt rules necessary to
21 the efficient administration and functioning of the program and rules regulating the conduct of
22 participants in the program. Rules regulating the conduct of participants in the program shall in-
23 clude but not be limited to rules requiring participants to keep appointments and the time, place and
24 frequency of any dosages.

25 **SECTION 764.** ORS 430.880 is amended to read:

26 430.880. (1) The Oregon [Health Authority] **Department of Health** may accept gifts and apply
27 for and accept grants or services from the federal government or any of its agencies, from associ-
28 ations, individuals and private corporations to carry out the purposes of ORS 430.850 to 430.880.

29 (2) All moneys received by the [authority] **department** under ORS 430.850 to 430.880 shall be
30 paid into the State Treasury and deposited in the General Fund to the credit of a special account.
31 Such moneys are appropriated continuously to the [authority] **department** for the purposes of ORS
32 430.850 to 430.880.

33 **SECTION 765.** ORS 430.920 is amended to read:

34 430.920. (1) The attending health care provider shall perform during the first trimester of preg-
35 nancy or as early as possible a risk assessment which shall include an assessment for drug and al-
36 cohol usage. If the results of the assessment indicate that the patient uses or abuses drugs or
37 alcohol or uses unlawful controlled substances, the provider shall tell the patient about the potential
38 health effects of continued substance abuse and recommend counseling by a trained drug or alcohol
39 abuse counselor.

40 (2) The provider shall supply demographic information concerning patients described in sub-
41 section (1) of this section to the Alcohol and Drug Policy Commission, for purposes related to the
42 commission's accountability and data collection system, and to the local public health administrator,
43 as defined in ORS 431.003, without revealing the identity of the patients. The local public health
44 administrator shall use forms prescribed by the Oregon [Health Authority] **Department of Health**
45 and shall send copies of the forms and any compilation made from the forms to the [authority] de-

1 **partment** at such times as the [authority] **department** may require by rule.

2 (3) The provider, if otherwise authorized, may administer or prescribe controlled substances that
3 relieve withdrawal symptoms and assist the patient in reducing the need for unlawful controlled
4 substances according to medically acceptable practices.

5 **SECTION 766.** ORS 430.955 is amended to read:

6 430.955. (1) The Oregon [Health Authority] **Department of Health** and the Oregon Health and
7 Science University shall develop a standardized screening instrument designed to identify the use
8 of substances during pregnancy.

9 (2) The [authority] **department** and the Oregon Health and Science University shall request the
10 boards responsible for the licensing of health care providers and appropriate professional organiza-
11 tions to work with them to conduct a series of training sessions for health professionals who provide
12 maternity care on how to assess drug use in pregnancy.

13 **SECTION 767.** ORS 431.035 is amended to read:

14 431.035. (1) The Director of the Oregon [Health Authority] **Department of Health** may delegate
15 to any of the officers and employees of the Oregon [Health Authority] **Department of Health** the
16 exercise or discharge in the director's name of any power, duty or function of whatever character
17 vested in or imposed upon the director by the laws of Oregon. However, the power to administer
18 oaths and affirmations, subpoena witnesses, take evidence and require the production of books, pa-
19 pers, correspondence, memoranda, agreements or other documents or records may be exercised by
20 an officer or employee of the [authority] **department** only when specifically delegated in writing by
21 the director.

22 (2) The official act of any such person so acting in the director's name and by the [authority]
23 **department** of the director shall be deemed to be an official act of the director.

24 (3)(a) The Director of the Oregon [Health Authority] **Department of Health** shall appoint a
25 Public Health Director to perform the duties and exercise authority over public health emergency
26 matters in the state and other duties as assigned by the director. The director may appoint the same
27 person to serve as both the Public Health Director and the Public Health Officer appointed under
28 ORS 431.045.

29 (b) The Public Health Director shall be an assistant director appointed by the Director of the
30 Oregon [Health Authority] **Department of Health** in accordance with ORS 409.130.

31 (c) The Public Health Director shall delegate to an employee of the [authority] **department** the
32 duties, powers and functions granted to the Public Health Director by ORS 431A.015 and 433.443 in
33 the event of the absence from the state or the unavailability of the director. The delegation must
34 be in writing.

35 **SECTION 768.** ORS 431.045 is amended to read:

36 431.045. (1) The Director of the Oregon [Health Authority] **Department of Health** shall appoint
37 a Public Health Officer who shall be responsible for the medical and paramedical aspects of the
38 health programs within the Oregon [Health Authority] **Department of Health**. The Public Health
39 Officer must be a physician licensed under ORS chapter 677 who:

40 (a) Is certified by the American Board of Preventive Medicine or the board of a primary care
41 clinical specialty such as internal medicine, family medicine or pediatrics; and

42 (b) Has at least two years of experience working for a local, state or federal public [Health
43 Authority] **Department of Health**.

44 (2) The Public Health Officer:

45 (a) Is responsible for the duties imposed by 42 U.S.C. 300ff-133(g) and 300ff-136;

1 (b) May appoint a local health officer for a county that has transferred the responsibility of the
2 local public health authority in the county to the Oregon [*Health Authority*] **Department of Health**
3 under ORS 431.382; and

4 (c) May adopt rules to carry out the officer's responsibilities under this subsection.

5 **SECTION 769.** ORS 431.110 is amended to read:

6 431.110. The Oregon [*Health Authority*] **Department of Health** shall:

7 (1) Have direct supervision of all matters relating to the preservation of life and health of the
8 people of this state.

9 (2) Ensure the statewide and local application of the foundational capabilities established under
10 ORS 431.131 and described in ORS 431.132, 431.133, 431.134, 431.135, 431.136, 431.137 and 431.138.

11 (3) At the state level of governance, administer the foundational programs established under
12 ORS 431.141 and described in ORS 431.142, 431.143, 431.144 and 431.145.

13 (4) At the local level of governance, oversee and provide support for the implementation of the
14 foundational programs established under ORS 431.141 and described in ORS 431.142, 431.143, 431.144
15 and 431.145.

16 (5) Conduct sanitary surveys about and investigations on the causes and prevention of diseases.

17 (6) Investigate, conduct hearings and issue findings in connection with annexations proposed by
18 cities as provided in ORS 222.840 to 222.915 and 431.705 to 431.760.

19 (7) Have full power in the control of all communicable diseases.

20 (8) Have the authority to send a representative of the [*authority*] **department** to any part of the
21 state.

22 (9) From time to time, publish and distribute to the public information related to the functions
23 and duties of the [*authority*] **department**.

24 **SECTION 770.** ORS 431.115 is amended to read:

25 431.115. (1) For the purpose of fulfilling its duties under ORS 431.110 (2), (3) and (4), the Oregon
26 [*Health Authority*] **Department of Health** shall:

27 (a) Adopt and update as necessary a statewide public health modernization assessment;

28 (b) In consideration of the statewide public health modernization assessment, develop and modify
29 as necessary a statewide public health modernization plan;

30 (c) Implement the statewide public health modernization plan;

31 (d) Subject to the provisions of ORS 431.380, develop and modify as necessary plans for the
32 distribution of funds to local public health authorities;

33 (e) Implement plans for the distribution of funds to local public health authorities;

34 (f) Coordinate state and local administration of the foundational programs established under
35 ORS 431.141;

36 (g) Approve local plans for applying the foundational capabilities established under ORS 431.131
37 and implementing the foundational programs established under ORS 431.141 as required by ORS
38 431.417;

39 (h) Monitor the progress of local public health authorities in meeting statewide public health
40 goals, including applying the foundational capabilities established under ORS 431.131 and imple-
41 menting the foundational programs established under ORS 431.141;

42 (i) For the purpose of making distributions under ORS 431.380, consult with and consider the
43 recommendations of local public health authorities on the total cost to local public health authori-
44 ties of applying the foundational capabilities established under ORS 431.131 and implementing the
45 foundational programs established under ORS 431.141;

1 (j) Use accountability metrics to encourage the effective and equitable provision of public health
2 services by local public health authorities;

3 (k) Use incentives to encourage the effective and equitable provision of public health services
4 by local public health authorities;

5 (L) Seek funding, including in the form of federal grants, for ORS 431.001 to 431.550 and 431.990;
6 and

7 (m) Coordinate and collaborate with federal agencies in implementing ORS 431.001 to 431.550
8 and 431.990.

9 (2) The Oregon [*Health Authority*] **Department of Health** shall solicit input from the Confer-
10 ence of Local Health Officials and local public health authorities in:

11 (a) Establishing the foundational capabilities under ORS 431.131 and the foundational programs
12 under ORS 431.141;

13 (b) Adopting and updating a statewide public health modernization assessment under subsection
14 (1)(a) of this section;

15 (c) Developing and modifying a statewide public health modernization plan under subsection
16 (1)(b) of this section; and

17 (d) Developing and modifying plans for the distribution of funds under subsection (1)(d) of this
18 section.

19 **SECTION 771.** ORS 431.120 is amended to read:

20 431.120. In addition to the duties described in ORS 431.115, the Oregon [*Health Authority*] **De-**
21 **partment of Health** shall:

22 (1) Enforce the laws, rules and policies of this state related to health.

23 (2) Routinely conduct epidemiological investigations for each case of sudden infant death syn-
24 drome, including the identification of risk factors such as birth weight, maternal age, prenatal care,
25 history of apnea and socioeconomic characteristics. The [*authority*] **department** may conduct the
26 investigations through local health departments only upon adoption by rule of a uniform
27 epidemiological data collection method.

28 (3) Adopt rules related to loans and grants awarded under ORS 285B.560 to 285B.599 or 541.700
29 to 541.855 for the improvement of drinking water systems for the purpose of maintaining compliance
30 with applicable state and federal drinking water quality standards. In adopting rules under this
31 subsection, the [*authority*] **Oregon Department of Health** shall coordinate [*the authority's*] **its**
32 rulemaking process with the Water Resources Department and the Oregon Business Development
33 Department to ensure that rules adopted under this subsection are consistent with rules adopted
34 under ORS 285B.563 and 541.845.

35 (4) Control health care capital expenditures by administering the state certificate of need pro-
36 gram under ORS 442.325 to 442.344.

37 **SECTION 772.** ORS 431.122 is amended to read:

38 431.122. (1)(a) The Oregon Public Health Advisory Board is established for the purpose of ad-
39 vising and making recommendations to the Oregon [*Health Authority*] **Department of Health** and
40 the Oregon Health Policy Board. The Oregon Public Health Advisory Board shall consist of:

41 (A) Fourteen members appointed by the Governor as specified in paragraph (b) of this sub-
42 section;

43 (B) The Public Health Director or the Public Health Director's designee;

44 (C) If the Public Health Director is not the State Health Officer, the State Health Officer or a
45 physician licensed under ORS chapter 677 acting as the State Health Officer's designee;

1 (D) If the Public Health Director is the State Health Officer, a representative from the Oregon
2 [*Health Authority*] **Department of Health** who is familiar with public health programs and public
3 health activities in this state; and

4 (E) A designee of the Oregon Health Policy Board.

5 (b) The Governor shall appoint the following individuals to the board:

6 (A) A state employee who has technical expertise in the field of public health;

7 (B) A local public health administrator who supervises public health programs and public health
8 activities in Benton, Clackamas, Deschutes, Jackson, Lane, Marion, Multnomah or Washington
9 County;

10 (C) A local public health administrator who supervises public health programs and public health
11 activities in Coos, Douglas, Josephine, Klamath, Linn, Polk, Umatilla or Yamhill County;

12 (D) A local public health administrator who supervises public health programs and public health
13 activities in Clatsop, Columbia, Crook, Curry, Hood River, Jefferson, Lincoln, Tillamook, Union or
14 Wasco County;

15 (E) A local public health administrator who supervises public health programs and public health
16 activities in Baker, Gilliam, Grant, Harney, Lake, Malheur, Morrow, Sherman, Wallowa or Wheeler
17 County;

18 (F) A local health officer who is not a local public health administrator;

19 (G) An individual who represents the Conference of Local Health Officials created under ORS
20 431.330;

21 (H) An individual who is a member of, or who represents, a federally recognized Indian tribe in
22 this state;

23 (I) An individual who represents coordinated care organizations;

24 (J) An individual who represents health care organizations that are not coordinated care or-
25 ganizations;

26 (K) An individual who represents individuals who provide public health services directly to the
27 public;

28 (L) An expert in the field of public health who has a background in academia;

29 (M) An expert in population health metrics; and

30 (N) An at-large member.

31 (2)(a) The term of office for a board member appointed under this section is four years, but a
32 member serves at the pleasure of the Governor. Before the expiration of the term of a member, the
33 Governor shall appoint a successor whose term begins on January 1 next following. A member is
34 eligible for reappointment. If there is a vacancy for any cause, the Governor shall make an ap-
35 pointment to become immediately effective for the unexpired term.

36 (b) Members of the board described in subsection (1)(a)(B) to (E) of this section are nonvoting
37 ex officio members of the board.

38 (3) A majority of the voting members of the board constitutes a quorum for the transaction of
39 business.

40 (4) Official action by the board requires the approval of a majority of the voting members of the
41 board.

42 (5) The board shall elect one of its voting members to serve as chairperson.

43 (6) The board shall meet at times and places specified by the call of the chairperson or of a
44 majority of the voting members of the board.

45 (7) The board may adopt rules necessary for the operation of the board.

1 (8) The board may establish committees and subcommittees necessary for the operation of the
2 board.

3 (9) Voting members of the board are entitled to compensation and expenses as provided in ORS
4 292.495.

5 **SECTION 773.** ORS 431.123 is amended to read:

6 431.123. The Oregon Public Health Advisory Board shall:

7 (1) Make recommendations to the Oregon Health Policy Board on the development of statewide
8 public health policies and goals;

9 (2) Make recommendations to the Oregon Health Policy Board on how other statewide priorities,
10 such as the provision of early learning services and the delivery of health care services, affect and
11 are affected by statewide public health policies and goals;

12 (3) Make recommendations to the Oregon Health Policy Board on the establishment of the
13 foundational capabilities under ORS 431.131, the foundational programs under ORS 431.141 and any
14 other public health program or activity under ORS 431.147;

15 (4) Make recommendations to the Oregon Health Policy Board on the adoption and updating of
16 the statewide public health modernization assessment under ORS 431.115;

17 (5) Make recommendations to the Oregon Health Policy Board on the development of and any
18 modification to the statewide public health modernization plan developed under ORS 431.115;

19 (6) Establish accountability metrics for the purpose of evaluating the progress of the Oregon
20 [*Health Authority*] **Department of Health** and local public health authorities in achieving statewide
21 public health goals;

22 (7) Make recommendations to the Oregon [*Health Authority*] **Department of Health** and the
23 Oregon Health Policy Board on:

24 (a) The development of, and any modification to, plans developed under ORS 431.115 for the
25 distribution of funds to local public health authorities under ORS 431.380; and

26 (b) The total cost to local public health authorities of applying the foundational capabilities es-
27 tablished under ORS 431.131 and implementing the foundational programs established under ORS
28 431.141;

29 (8) Make recommendations to the Oregon Health Policy Board on the use of accountability
30 metrics by the Oregon [*Health Authority*] **Department of Health** under ORS 431.380 to encourage
31 the effective and equitable provision of public health services by local public health authorities;

32 (9) Make recommendations to the Oregon Health Policy Board on the incorporation and use of
33 incentives by the Oregon [*Health Authority*] **Department of Health** under ORS 431.380 to encourage
34 the effective and equitable provision of public health services by local public health authorities;

35 (10) Provide support to local public health authorities in developing local plans to apply the
36 foundational capabilities established under ORS 431.131 and implement the foundational programs
37 established under ORS 431.141 as required by ORS 431.417;

38 (11) Monitor the progress of local public health authorities in meeting statewide public health
39 goals, including employing the foundational capabilities established under ORS 431.131 and imple-
40 menting the foundational programs established under ORS 431.141;

41 (12) Assist the Oregon [*Health Authority*] **Department of Health** in seeking funding, including
42 in the form of federal grants, for ORS 431.001 to 431.550 and 431.990; and

43 (13) Assist the Oregon [*Health Authority*] **Department of Health** in coordinating and collab-
44 orating with federal agencies.

45 **SECTION 774.** ORS 431.125 is amended to read:

1 431.125. In addition to the duties described in ORS 413.011, the Oregon Health Policy Board
2 shall:

3 (1) Be the policy-making and oversight body for the Oregon [*Health Authority*] **Department of**
4 **Health** with respect to the application of the foundational capabilities established under ORS
5 431.131 and the implementation of the foundational programs established under ORS 431.141; and

6 (2) Provide advice to the Oregon [*Health Authority*] **Department of Health** based on the rec-
7 ommendations made by the Oregon Public Health Advisory Board under ORS 431.123.

8 **SECTION 775.** ORS 431.131 is amended to read:

9 431.131. (1) The Oregon [*Health Authority*] **Department of Health**, in consideration of the ad-
10 vice provided by the Oregon Health Policy Board under ORS 431.125, shall establish by rule the
11 foundational capabilities necessary to protect and improve the health of the residents of this state
12 and to achieve effective and equitable health outcomes for the residents of this state.

13 (2) At a minimum, the [*authority*] **department** shall establish the following foundational capa-
14 bilities:

15 (a) Assessment and epidemiology, as described in ORS 431.132;

16 (b) Emergency preparedness and response, as described in ORS 431.133;

17 (c) Communications as described in ORS 431.134;

18 (d) Policy and planning as described in ORS 431.135;

19 (e) Leadership and organizational competencies, as described in ORS 431.136;

20 (f) Health equity and cultural responsiveness, as described in ORS 431.137; and

21 (g) Community partnership development, as described in ORS 431.138.

22 **SECTION 776.** ORS 431.132 is amended to read:

23 431.132. (1) For the purpose of establishing the foundational capabilities under ORS 431.131, as-
24 sessment and epidemiology include, but are not limited to, the knowledge, skills and abilities nec-
25 essary to:

26 (a) Identify and respond to disease outbreaks and epidemics;

27 (b) Analyze and respond to information related to disease outbreaks and epidemics;

28 (c) Conduct and assess surveys about health behaviors and practices;

29 (d) Collect and maintain vital records and statistics;

30 (e) Process data from a variety of sources, including vital records, health records, hospital data,
31 insurance data and indicators of community or environmental health;

32 (f) Analyze key indicators of a community's health;

33 (g) Analyze data related to the causes and burdens of disease, injury, disability and death;

34 (h) Prioritize and respond to requests for data processed and analyzed as described in this sec-
35 tion and communicate the response in a manner that is accurate, statistically valid and usable by
36 the requester;

37 (i) Identify how disease, injury, disability and death disproportionately affect certain populations,
38 including populations specific to sex, race, ethnicity and socioeconomic status;

39 (j) Conduct a community health assessment and identify priorities arising from that assessment;
40 and

41 (k) Use relevant data to implement, monitor, evaluate and modify state health improvement
42 plans or community health improvement plans.

43 (2) For purposes of this section, the Oregon [*Health Authority*] **Department of Health** may
44 adopt rules differentiating between the knowledge, skills and abilities that are necessary for state
45 governance and that are necessary for local governance.

1 **SECTION 777.** ORS 431.133 is amended to read:

2 431.133. (1) For the purpose of establishing the foundational capabilities under ORS 431.131,
3 emergency preparedness and response include, but are not limited to, the knowledge, skills and
4 abilities necessary to:

5 (a) Develop, exercise, improve and maintain preparedness and response plans in the event that
6 either a natural or man-made disaster or an emergency occurs;

7 (b) Communicate and coordinate with health care providers, emergency service providers and
8 other agencies and organizations that respond to disasters and emergencies;

9 (c) Activate emergency response personnel during a disaster or emergency, and recognize if
10 public health has a primary, secondary or ancillary role in response activities;

11 (d) Use communications systems effectively and efficiently during a disaster or emergency;

12 (e) Maintain and execute a plan providing for continuity of operations during a disaster or
13 emergency, including a plan for accessing resources necessary to recover from or respond to a dis-
14 aster or emergency;

15 (f) Issue and enforce emergency health orders;

16 (g) Be notified of and respond to potential disasters and emergencies; and

17 (h) Address the needs of vulnerable populations during a disaster or emergency.

18 (2) For purposes of this section, the Oregon [*Health Authority*] **Department of Health** may
19 adopt rules differentiating between the knowledge, skills and abilities that are necessary for state
20 governance and that are necessary for local governance.

21 **SECTION 778.** ORS 431.134 is amended to read:

22 431.134. (1) For the purpose of establishing the foundational capabilities under ORS 431.131,
23 communications include, but are not limited to, the knowledge, skills and abilities necessary to:

24 (a) Engage in two-way communications with the public through the use of a variety of accessible
25 methods of communication;

26 (b) Effectively use mass media and social media to transmit communications to and receive
27 communications from the public;

28 (c) Communicate with specific populations in a manner that is culturally and linguistically ap-
29 propriate;

30 (d) Develop and implement educational programs and preventive strategies; and

31 (e) During a disease outbreak or other disaster or emergency, provide accurate, timely and un-
32 derstandable information, recommendations and instructions to the public.

33 (2) For purposes of this section, the Oregon [*Health Authority*] **Department of Health** may
34 adopt rules differentiating between the knowledge, skills and abilities that are necessary for state
35 governance and that are necessary for local governance.

36 **SECTION 779.** ORS 431.135 is amended to read:

37 431.135. (1) For the purpose of establishing the foundational capabilities under ORS 431.131,
38 policy and planning include, but are not limited to, the knowledge, skills and abilities necessary to:

39 (a) Enable the Oregon [*Health Authority*] **Department of Health** and local public health au-
40 thorities to serve as a primary and expert resource for using science and evidence-based best prac-
41 tices to inform the development and implementation of public health policies;

42 (b) Provide guidance and coordinate planning for the purpose of developing, adopting and im-
43 plementing public health policies;

44 (c) Develop public health policy options necessary to protect and improve the health of the
45 public and specific adversely impacted populations;

1 (d) Understand and use the principles of public health law to improve and protect the health
2 of the public;

3 (e) Analyze and disseminate findings on the intended and unintended impacts of public health
4 policies; and

5 (f) Implement, monitor, evaluate and modify state health improvement plans or community health
6 improvement plans.

7 (2) For purposes of this section, the Oregon [*Health Authority*] **Department of Health** may
8 adopt rules differentiating between the knowledge, skills and abilities that are necessary for state
9 governance and that are necessary for local governance.

10 **SECTION 780.** ORS 431.136 is amended to read:

11 431.136. (1) For the purpose of establishing the foundational capabilities under ORS 431.131,
12 leadership and organizational competencies include, but are not limited to, the knowledge, skills and
13 abilities necessary to:

14 (a) Define the strategic direction necessary to achieve public health goals and align and lead
15 stakeholders in achieving those goals;

16 (b) Use the principles of public health law, including relevant agency rules and the constitu-
17 tional guarantee of due process, in planning, implementing and enforcing public health initiatives;

18 (c) Promote and monitor organizational objectives while sustaining a culture of quality of ser-
19 vice;

20 (d) Maintain a competent workforce necessary to ensure the effective and equitable provision
21 of public health services;

22 (e) Provide continuing education and other training opportunities necessary to maintain a com-
23 petent workforce;

24 (f) Develop partnerships with institutions of higher education necessary to maintain a competent
25 workforce;

26 (g) To the extent practicable, ensure that local public health administrators, local health officers
27 and individuals who work in the field of public health reflect the demographics of the community
28 being served and the changing demographics of this state;

29 (h) Implement and maintain the technology needed to support public health operations while si-
30 multaneously protecting personally identifiable information and other confidential health informa-
31 tion; and

32 (i) Use accounting and business best practices in budgeting, tracking finances, billing, auditing,
33 securing grants and other sources of funding and distributing moneys to governmental and nongov-
34 ernmental partners.

35 (2) For purposes of this section, the Oregon [*Health Authority*] **Department of Health** may
36 adopt rules differentiating between the knowledge, skills and abilities that are necessary for state
37 governance and that are necessary for local governance.

38 **SECTION 781.** ORS 431.137 is amended to read:

39 431.137. (1) For the purpose of establishing the foundational capabilities under ORS 431.131,
40 health equity and cultural responsiveness include, but are not limited to, the knowledge, skills and
41 abilities necessary to:

42 (a) Support public health policies that promote health equity;

43 (b) Implement processes within public health programs that create health equity;

44 (c) Recognize and address health inequities that are specific to certain populations, including
45 populations specific to sex, race, ethnicity and socioeconomic status;

1 (d) Communicate with the public and stakeholders in a transparent and inclusive manner;

2 (e) When appropriate, provide the public and stakeholders with access to the data and findings
3 described in ORS 431.132; and

4 (f) Engage diverse populations in community health planning.

5 (2) For purposes of this section, the Oregon [*Health Authority*] **Department of Health** may
6 adopt rules differentiating between the knowledge, skills and abilities that are necessary for state
7 governance and that are necessary for local governance.

8 **SECTION 782.** ORS 431.138 is amended to read:

9 431.138. (1) For the purpose of establishing the foundational capabilities under ORS 431.131,
10 community partnership development includes, but is not limited to, the knowledge, skills and abili-
11 ties necessary to:

12 (a) Convene and sustain relationships with traditional and nontraditional governmental partners
13 and stakeholders and traditional and nontraditional nongovernmental partners and stakeholders;

14 (b) Foster and support community involvement and partnerships in developing, adopting and
15 implementing public health policies;

16 (c) Engage members of the community in implementing, monitoring, evaluating and modifying
17 state health improvement plans or community health improvement plans; and

18 (d) Develop, strengthen and expand connections across disciplines, such as education and health
19 care, and with members of the community who work in those disciplines.

20 (2) For purposes of this section, the Oregon [*Health Authority*] **Department of Health** may
21 adopt rules differentiating between the knowledge, skills and abilities that are necessary for state
22 governance and that are necessary for local governance.

23 **SECTION 783.** ORS 431.139 is amended to read:

24 431.139. (1) Each biennium, the Oregon [*Health Authority*] **Department of Health** shall submit
25 to the Legislative Fiscal Office a report on the application of the formula described in ORS 431.380,
26 containing at a minimum:

27 (a) A statement of the amount of state moneys that the Oregon [*Health Authority*] **Department**
28 **of Health** received for the purpose of funding the foundational capabilities established under ORS
29 431.131 and the foundational programs established under ORS 431.141;

30 (b) A description of how state moneys that the Oregon [*Health Authority*] **Department of**
31 **Health** received for the purpose of funding the foundational capabilities established under ORS
32 431.131 and the foundational programs established under ORS 431.141 were distributed to local
33 public health authorities; and

34 (c) The level of work funded for each foundational capability and each foundational program and
35 the progress of local public health authorities in meeting accountability metrics.

36 (2) The Oregon Public Health Advisory Board shall, each biennium, make recommendations to
37 the Oregon [*Health Authority*] **Department of Health** on the priorities for the Oregon [*Health Au-*
38 *thority*] **Department of Health** and on the priorities of local public health authorities for each
39 foundational capability established under ORS 431.131 and each foundational program established
40 under ORS 431.141, based on state moneys that the Oregon [*Health Authority*] **Department of**
41 **Health** received for the purpose of funding the foundational capabilities established under ORS
42 431.131 and the foundational programs established under ORS 431.141.

43 **SECTION 784.** ORS 431.141 is amended to read:

44 431.141. (1) The Oregon [*Health Authority*] **Department of Health**, in consideration of any ad-
45 vice provided by the Oregon Health Policy Board under ORS 431.125, shall establish by rule the

1 foundational programs through which the [authority] **department** and local public health authorities
2 administer public health services in this state.

3 (2) At a minimum, the [authority] **department** shall establish the following foundational pro-
4 grams:

5 (a) Communicable disease control programs, as described in ORS 431.142;

6 (b) Environmental public health programs, as described in ORS 431.143;

7 (c) Prevention of injury and disease and promotion of health programs, as described in ORS
8 431.144; and

9 (d) Clinical preventive services, as described in ORS 431.145.

10 **SECTION 785.** ORS 431.147 is amended to read:

11 431.147. In addition to the foundational programs established under ORS 431.141, the Oregon
12 [Health Authority] **Department of Health** may establish by rule other public health programs, or
13 by rule or order other public health activities, that address specific public health problems or needs.
14 Programs and activities may be established under this section for the purpose of enhancing or ex-
15 panding a foundational program or for the purpose of addressing a need not addressed by a foun-
16 dational program. Additional programs and activities may be established under this section in
17 consideration of any advice provided by the Oregon Public Health Advisory Board or upon the
18 [authority's] **department's** own initiative.

19 **SECTION 786.** ORS 431.148 is amended to read:

20 431.148. The Oregon [Health Authority] **Department of Health** may adopt by rule evidence-
21 based best practices for the purpose of assisting local public health authorities in implementing the
22 foundational programs established under ORS 431.141 and any other public health program or ac-
23 tivity established under ORS 431.147. Rules adopted under this section are only for the purpose of
24 assisting local public health authorities and are not mandatory guidelines for the implementation
25 of the programs or activities.

26 **SECTION 787.** ORS 431.149 is amended to read:

27 431.149. The Oregon [Health Authority] **Department of Health** may adopt rules to implement
28 ORS 431.001 to 431.550 and 431.990.

29 **SECTION 788.** ORS 431.150 is amended to read:

30 431.150. (1) The Oregon [Health Authority] **Department of Health** shall enforce ORS 431.001 to
31 431.550 and 431.990 and any other public health law of this state. The Director of the Oregon [Health
32 Authority] **Department of Health** shall supervise local public health administrators in the exe-
33 cution of their duties under subsection (2) of this section.

34 (2) A local public health administrator shall administer and enforce ORS 431.001 to 431.550 and
35 431.990 and any other public health law of this state within the jurisdiction of the local public health
36 authority supervised by the local public health administrator. If a local public health administrator
37 has knowledge of a violation of ORS 431.001 to 431.550 and 431.990 or any other public health law
38 of this state, or of a violation of any rule adopted under ORS 431.001 to 431.550 and 431.990 or
39 adopted under any other public health law of this state, the local public health administrator shall
40 report the violation to the Oregon [Health Authority] **Department of Health** in a form and manner
41 prescribed by the [authority] **department**.

42 (3) The Oregon [Health Authority] **Department of Health** or a local public health administrator
43 may investigate cases of irregularity or violations of laws or rules necessary for the [authority] **de-**
44 **partment** or local public health administrator to execute their duties under subsections (1) and (2)
45 of this section. A local public health administrator shall aid the [authority] **department**, upon re-

1 quest, in conducting investigations initiated by the *[authority]* **department**.

2 (4) When a violation of a public health law or rule is reported to a district attorney or official
 3 acting in the capacity of a district attorney, the district attorney or official shall initiate and
 4 promptly commence the necessary proceedings against the party or parties responsible for the al-
 5 leged violation.

6 (5) Upon request of the *[authority]* **department**, the Attorney General shall assist the
 7 *[authority]* **department** in the enforcement of laws and rules under this section.

8 **SECTION 789.** ORS 431.155 is amended to read:

9 431.155. (1) Whenever it appears to the Oregon *[Health Authority]* **Department of Health** that
 10 any person is engaged or about to engage in any acts or practices that constitute a violation of any
 11 statute relating to public health administered by the *[authority]* **department**, or any rule or order
 12 issued thereunder, the *[authority]* **department** may institute proceedings in the circuit courts to
 13 enforce obedience thereto by injunction, or by other processes, mandatory or otherwise, restraining
 14 such person, or its officers, agents, employees and representatives from further violation of such
 15 statute, rule or order, and enjoining upon them obedience thereto.

16 (2) The provisions of this section are in addition to and not in substitution of any other
 17 enforcement provisions contained in any statute administered by the *[authority]* **department**.

18 **SECTION 790.** ORS 431.157 is amended to read:

19 431.157. A local public health administrator has the same powers granted to the Oregon *[Health*
 20 *Authority]* **Department of Health** under ORS 431.155.

21 **SECTION 791.** ORS 431.170 is amended to read:

22 431.170. (1) The Director of the Oregon *[Health Authority]* **Department of Health** shall take
 23 direct charge of the functions that are necessary to preserve the public health in a local public
 24 health authority whenever a local public health administrator fails to administer or enforce ORS
 25 431.001 to 431.550 and 431.990 and any other public health law or rule of this state as described in
 26 ORS 431.150.

27 (2) The director may request assistance as necessary to fulfill the director's duties under sub-
 28 section (1) of this section, the expense of which shall be borne by the local public health authority
 29 over which the director took charge, to be paid out of the treasury of the local public health au-
 30 thority with moneys made available to the local public health authority under ORS 431.380, upon the
 31 receipt of vouchers properly certified by the director, except that payment is not required if the
 32 local public health authority requests a transfer under ORS 431.382.

33 **SECTION 792.** ORS 431.175 is amended to read:

34 431.175. If necessary, the Director of the Oregon *[Health Authority]* **Department of Health** or
 35 a designee *[thereof]*, the State Fire Marshal or a designee, *[thereof]* or an officer of a law enforce-
 36 ment agency, may appear before any magistrate empowered to issue warrants in criminal cases, and
 37 require such magistrate to issue a warrant, directing it to any sheriff or deputy or any constable
 38 or police officer, to enter the described property or to remove any person or obstacle, or to defend
 39 any threatened violence to the director or a designee *[thereof]*, the State Fire Marshal or a
 40 designee, *[thereof]* or an officer, upon entering private property, or to assist the director in any way.

41 **SECTION 793.** ORS 431.180 is amended to read:

42 431.180. (1) Nothing in ORS 431.001 to 431.550 and 431.990 or any other public health law of this
 43 state shall be construed as authorizing the Oregon *[Health Authority]* **Department of Health** or its
 44 representatives, or any local public health authority or its representatives, to interfere in any
 45 manner with an individual's right to select the physician, physician assistant, naturopathic physician

1 or nurse practitioner of the individual's choice or the individual's choice of mode of treatment, nor
2 as interfering with the practice of a person whose religion treats or administers sick or suffering
3 people by purely spiritual means.

4 (2) This section does not apply to the laws of this state imposing sanitary requirements or rules
5 adopted under the laws of this state imposing sanitary requirements.

6 **SECTION 794.** ORS 431.210 is amended to read:

7 431.210. (1) There is established in the General Fund the Public Health Account, classified sep-
8 arately as to federal and other moneys.

9 (2) All fees, penalties, federal apportionments or contributions and other moneys received by the
10 Oregon [*Health Authority*] **Department of Health** relating to public health shall be turned over to
11 the State Treasurer not later than the 10th day of the calendar month next succeeding their receipt
12 by the [*authority*] **department** and shall be credited to the Public Health Account.

13 (3) All moneys credited to the Public Health Account are continuously appropriated to the [*au-*
14 *thority*] **department** for the payment of expenses of the [*authority*] **department**.

15 **SECTION 795.** ORS 431.220 is amended to read:

16 431.220. The Oregon [*Health Authority*] **Department of Health** shall keep a record of all moneys
17 deposited in the Public Health Account. This record shall indicate by separate cumulative accounts
18 the source from which the moneys are derived and the individual activity or program against which
19 each withdrawal is charged.

20 **SECTION 796.** ORS 431.230 is amended to read:

21 431.230. (1) The Oregon [*Health Authority*] **Department of Health** may request the Oregon De-
22 partment of Administrative Services to, and when so requested, the Oregon Department of Admin-
23 istrative Services shall, draw a payment on the Public Health Account in favor of the Director of
24 the Oregon [*Health Authority*] **Department of Health** in a sum not exceeding \$25,000, which sum
25 shall be used by the director as an emergency or revolving fund.

26 (2) The emergency or revolving fund shall be deposited with the State Treasurer, and shall be
27 at the disposal of the director. It may be used to pay advances for salaries, travel expenses or any
28 other proper claim against, or expense of, the [*authority*] **Oregon Department of Health** or the
29 health-related licensing boards for whom the [*authority*] **department** provides accounting services.

30 (3) Claims for reimbursement of advances paid from the emergency or revolving fund shall be
31 submitted to the [*authority*] **department** for approval. When such claims are so approved, payments
32 covering them shall be drawn in favor of the director and charged against the appropriate fund or
33 account, and shall be used to reimburse the emergency or revolving fund.

34 (4) The [*authority*] **department** may establish petty cash funds within the emergency or revolv-
35 ing fund by drawing checks upon the emergency or revolving fund payable to the custodians of the
36 petty cash funds.

37 **SECTION 797.** ORS 431.250 is amended to read:

38 431.250. (1) The Oregon [*Health Authority*] **Department of Health** hereby is designated as the
39 state agency to apply to and receive from the federal government or any agency thereof such grants
40 for promoting public health and the prevention of disease, including grants for cancer control and
41 industrial hygiene programs, as may be available to this state or any of its political subdivisions or
42 agencies.

43 (2) For the purposes of subsection (1) of this section, the [*authority*] **department** shall:

44 (a) Disburse or supervise the disbursement of all funds made available at any time by the federal
45 government or this state for those purposes.

(b) Adopt, carry out and administer plans for those purposes. Plans so adopted shall be made statewide in application insofar as reasonably feasible, possible or permissible, and shall be so devised as to meet the approval of the federal government or any of its agencies, not inconsistent with the laws of the state.

SECTION 798. ORS 431.330 is amended to read:

431.330. (1) The Conference of Local Health Officials is created. The conference shall consist of each local public health administrator and local health officer in this state and other local health personnel as provided by the rules of the conference.

(2) The conference shall select one of its members as chairperson, another as vice chairperson and another as secretary, each having the powers and duties necessary to perform the duties of their respective offices as determined by the commission. The chairperson, after consultation with the Director of the Oregon [*Health Authority*] **Department of Health**, shall appoint from among the conference members an executive committee. The chairperson and the executive committee shall advise the director in the administration of ORS 431.330 to 431.350.

SECTION 799. ORS 431.335 is amended to read:

431.335. (1) The Conference of Local Health Officials shall meet at least annually at a place, day and hour determined by the executive committee and the Director of the Oregon [*Health Authority*] **Department of Health**. The conference may meet specially at any other time that the executive committee or the director considers necessary.

(2) The director shall give at least 10 days' notice of each meeting date to the conference members. The chairperson or an authorized representative of the chairperson shall preside at all meetings of the conference.

(3) Each conference member shall receive from the local public health authority the conference member represents, subject to funds available under ORS 431.510, the actual and necessary travel and other expenses incurred by the conference member for no more than two meetings of the conference per year. Additionally, subject to applicable law regulating travel and other expenses for state officers, a local public health administrator or local health official who is a member of the executive committee of the conference or who is the chairperson of the conference shall receive from the Oregon [*Health Authority*] **Department of Health** the actual and necessary travel and other expenses for no more than six meetings of the executive committee per year that are called by the [*authority*] **department**.

SECTION 800. ORS 431.340 is amended to read:

431.340. The Conference of Local Health Officials may submit to the Oregon [*Health Authority*] **Department of Health** recommendations on:

(1) The establishment of the foundational capabilities under ORS 431.131, the foundational programs under ORS 431.141 and any other public health program or activity under ORS 431.147;

(2) The adoption and updating of the statewide public health modernization assessment under ORS 431.115;

(3) The development of and any modification to the statewide public health modernization plan under ORS 431.115; and

(4) The adoption of rules under ORS 431.350.

SECTION 801. ORS 431.350 is amended to read:

431.350. Upon receipt of written approval from the Conference of Local Health Officials the Oregon [*Health Authority*] **Department of Health** shall adopt rules necessary for the administration of ORS 431.330 to 431.350.

1 **SECTION 802.** ORS 431.380 is amended to read:

2 431.380. (1) From state moneys that the Oregon [*Health Authority*] **Department of Health** re-
3 ceives for the purpose of funding the foundational capabilities established under ORS 431.131 and
4 the foundational programs established under ORS 431.141, the [*Oregon Health Authority*] **depart-**
5 **ment** shall make payments to local public health authorities under this section. The [*Oregon Health*
6 *Authority*] **department** shall each biennium submit to the Oregon Public Health Advisory Board and
7 the Legislative Fiscal Office a formula that provides for the equitable distribution of moneys. The
8 [*Oregon Health Authority*] **department** shall incorporate into the formula:

9 (a) A method for distributing to local public health authorities a base amount of state moneys
10 received by the [*Oregon Health Authority*] **department** pursuant to this subsection, taking into
11 consideration the population of each local public health authority, the burden of disease borne by
12 communities located within the jurisdiction of each local public health authority, the overall health
13 status of communities located within the jurisdiction of each local public health authority and the
14 ability of each local public health authority to invest in local public health activities and services;

15 (b) A method for awarding matching funds to a local public health authority that invests in local
16 public health activities and services above the base amount distributed in accordance with para-
17 graph (a) of this subsection; and

18 (c) A method for the use of incentives as described in subsection (3) of this section.

19 (2) The Oregon [*Health Authority*] **Department of Health** shall submit the formula adopted un-
20 der subsection (1) of this section to the Oregon Public Health Advisory Board and the Legislative
21 Fiscal Office no later than June 30 of each even-numbered year. At the same time that the [*Oregon*
22 *Health Authority*] **department** submits the formula, the [*Oregon Health Authority*] **department** shall
23 submit to the Oregon Public Health Advisory Board and the Legislative Fiscal Office an estimate
24 of the amount of state moneys necessary to fund in part or in whole the foundational capabilities
25 established under ORS 431.131 and the foundational programs established under ORS 431.141.

26 (3) The [*Oregon Health Authority*] **department** shall adopt by rule incentives and a process for
27 identifying, updating and applying accountability metrics, for the purpose of encouraging the effec-
28 tive and equitable provision of public health services by local public health authorities.

29 (4) Nothing in this section prohibits the [*Oregon Health Authority*] **department** from distributing
30 state moneys that the [*Oregon Health Authority*] **department** receives for the purpose of funding the
31 foundational capabilities established under ORS 431.131 and the foundational programs established
32 under ORS 431.141 to local public health authorities on an individual basis as opposed to a statewide
33 basis, or through a competitive grant or contract process or on the basis of need, if the state moneys
34 received are insufficient to adequately fund local public health authorities on a statewide basis.

35 **SECTION 803.** ORS 431.382 is amended to read:

36 431.382. (1) If the Oregon [*Health Authority*] **Department of Health** does not receive state
37 moneys in an amount that equals or exceeds the estimate that the [*Oregon Health Authority*] **de-**
38 **partment** submits to the Legislative Fiscal Office under ORS 431.380 (2), the governing body of the
39 county in which a local public health authority operates or the governing body of a local public
40 health authority may adopt an ordinance or resolution transferring the responsibility for fulfilling
41 the local public health authority's duties under ORS 431.001 to 431.550 and 431.990 and the other
42 public health laws of this state to the [*Oregon Health Authority*] **department**. An ordinance or re-
43 solution adopted under this section must specify the disparity in moneys received as described in
44 this subsection.

45 (2) The [*Oregon Health Authority*] **department** shall prescribe the form and manner of informing

1 the [*Oregon Health Authority*] **department** that the local public health authority has made a trans-
2 fer under this section.

3 (3) A transfer under this section may not take effect until 180 days after the date on which an
4 ordinance or resolution mandating the transfer is adopted unless the [*Oregon Health Authority*] **de-**
5 **partment** agrees to an earlier effective date.

6 (4) The local public health authority that makes a transfer under this section is not eligible to
7 receive any moneys pursuant to ORS 431.380, and the [*Oregon Health Authority*] **department** may
8 use the moneys to provide or to contract for the provision of public health programs and public
9 health activities within the local public health authority's jurisdiction.

10 (5) If a local public health authority makes a transfer under this section, the [*Oregon Health*
11 *Authority*] **department**:

12 (a) Is not obligated to provide or to contract for the provision of public health programs and
13 public health activities within the local public health authority's jurisdiction; and

14 (b) Has the authority of a local public health authority and local public health administrator
15 within the former local public health authority's jurisdiction.

16 (6)(a) The governing body of a county or local public health authority that has transferred the
17 responsibility for fulfilling the local public health authority's duties to the [*Oregon Health*
18 *Authority*] **department** under subsection (1) of this section may request that the [*Oregon Health*
19 *Authority*] **department** transfer the responsibilities back to the local public health authority.

20 (b) Upon the receipt of a request made under this subsection, the [*Oregon Health Authority*]
21 **department** and the governing body of the county or local public health authority that submitted
22 the request shall enter into an agreement that provides a schedule for, and includes any other in-
23 formation necessary to effectuate, the transfer of responsibilities to the local public health authority.
24 Upon completion by the [*Oregon Health Authority*] **department** and the governing body of the terms
25 of the agreement described in this paragraph, the governing body may repeal the ordinance or re-
26 solution adopted under subsection (1) of this section.

27 (c) Unless the criteria established under this paragraph are met, and the [*Oregon Health Au-*
28 *thority*] **department** agrees to an earlier date pursuant to subsection (3) of this section, the gov-
29 erning body of a county or local public health authority described in this subsection may not request
30 that the [*Oregon Health Authority*] **department** transfer responsibilities back to the local public
31 health authority sooner than four years from the date described in subsection (3) of this section. The
32 [*Oregon Health Authority*] **department** shall establish by rule criteria described in this paragraph.

33 (d) A request made under this subsection must include the rationale for the request to transfer
34 responsibilities back to the local public health authority.

35 (e) Nothing in this subsection is intended to alter or terminate before the specified term an
36 agreement or contract that the [*Oregon Health Authority*] **department** entered into during the pe-
37 riod when the [*Oregon Health Authority*] **department** was fulfilling the responsibilities of the local
38 public health authority.

39 (7)(a) The governing body of a county or local public health authority that adopts an ordinance
40 or resolution pursuant to subsection (1) of this section shall enter into a written agreement with the
41 [*Oregon Health Authority*] **department** regarding the transfer.

42 (b) If the governing body of a county or local public health authority makes a request under
43 subsection (6) of this section, the governing body shall enter into a written agreement with the
44 [*Oregon Health Authority*] **department** regarding the transfer back to the local public health au-
45 thority. The agreement must include a description of the reason or reasons that the governing body

1 made the request under subsection (6) of this section.

2 (c) The [*Oregon Health Authority*] **department** may determine the form and manner of the re-
3 cords described in this subsection.

4 **SECTION 804.** ORS 431.417 is amended to read:

5 431.417. (1) The Oregon [*Health Authority*] **Department of Health** may by rule require each
6 local public health authority to submit a plan, in a form and manner prescribed by the [*Oregon*
7 *Health Authority*] **department**, that describes how the local public health authority will use moneys
8 made available under ORS 431.380.

9 (2) The [*Oregon Health Authority*] **department** may enter into an agreement with each local
10 public health authority that describes the work the local public health authority agrees to perform
11 and the amount of state funding the local public health authority will receive under ORS 431.380.

12 (3) The [*Oregon Health Authority*] **department** may enter into one or more agreements with a
13 local public health authority for purposes of distributing funds, or providing incentives, to the local
14 public health authority that are available through federal grants or other sources. Before entering
15 into an agreement under this section, the [*Oregon Health Authority*] **department** shall adopt by rule
16 a process by which a local public health authority must submit the documentation necessary to re-
17 ceive incentives under an agreement authorized by this subsection.

18 **SECTION 805.** ORS 431.418 is amended to read:

19 431.418. (1) Except when a local public health authority has transferred its responsibility to the
20 Oregon [*Health Authority*] **Department of Health** under ORS 431.382, a local public health author-
21 ity shall appoint a qualified local public health administrator to supervise the activities of the local
22 public health authority. In making an appointment under this subsection, the local public health
23 authority shall consider standards for selection of local public health administrators prescribed by
24 the [*Oregon Health Authority*] **department**.

25 (2)(a) When the local public health administrator is a physician licensed under ORS chapter 677,
26 the local public health administrator may serve as the local health officer for the local public health
27 authority.

28 (b) When the local public health administrator does not serve as the local health officer, the
29 local public health administrator shall employ or otherwise contract for services with a local health
30 officer who is a physician licensed under ORS chapter 677 to perform the specific medical respon-
31 sibilities requiring the services of a physician.

32 (c) A physician employed or whose services are contracted for under this subsection is respon-
33 sible to the local public health administrator for the medical and paramedical aspects of the public
34 health programs administered by the local public health administrator.

35 (3) The local public health administrator shall:

36 (a) Serve as the executive secretary of the local public health authority, act as the administrator
37 of the local health department and supervise the officers and employees appointed under paragraph
38 (b) of this subsection.

39 (b) Appoint, subject to the approval of the local public health authority, administrators, medical
40 officers, public health nurses, environmental health specialists and such employees necessary to
41 carry out the duties of the local public health administrator under ORS 431.001 to 431.550 and
42 431.990 and any other public health law of this state.

43 (c) Provide the local public health authority at appropriate intervals information concerning the
44 activities of the local health department and submit an annual budget for the approval of the gov-
45 erning body of the county or, for a health district formed under ORS 431.443, the governing bodies

1 of the counties that formed the health district.

2 (d) Act as the agent of the Oregon [*Health Authority*] **Department of Health** in enforcing state
 3 public health laws and rules of the authority, including such sanitary inspection of hospitals and
 4 related institutions as may be requested by the authority.

5 (e) Perform any other duty required by law.

6 (4) A local public health administrator shall serve until removed by the appointing local public
 7 health authority. A local public health administrator may not engage in an occupation that conflicts
 8 with the local public health administrator's official duties and shall devote sufficient time to fulfill-
 9 ing the requirements of subsection (3) of this section. However, if the governing body of a local
 10 public health authority is not established under ORS 431.443 (3), the local public health authority
 11 may, with the approval of the Director of the Oregon [*Health Authority*] **Department of Health**,
 12 require the local public health administrator to work less than full-time.

13 (5) A local public health administrator shall receive a salary fixed by the appointing authority
 14 and shall be reimbursed for actual and necessary expenses incurred in the performance of duties.

15 **SECTION 806.** ORS 431.550 is amended to read:

16 431.550. Nothing in ORS 431.380 to 431.510 and this section shall be construed to limit the au-
 17 thority of the Oregon [*Health Authority*] **Department of Health** to require facts and statistics from
 18 local public health administrators on matters relating to the preservation of life and health of the
 19 people of this state.

20 **SECTION 807.** ORS 431.710 is amended to read:

21 431.710. (1) ORS 431.705 to 431.760 shall not apply if the affected territory could be subject to
 22 an annexation proceeding under ORS 222.840 to 222.915.

23 (2) If the Oregon [*Health Authority*] **Department of Health**, in accordance with ORS 431.705 to
 24 431.760, finds that a danger to public health exists within the affected territory and that such danger
 25 could be removed or alleviated by the construction, maintenance and operation of service facilities,
 26 the [*authority*] **department** shall initiate proceedings for the formation of or annexation to a district
 27 to serve the affected territory. If the affected territory is located within a district that has the au-
 28 thority to provide the service facilities, the [*authority*] **department** shall order the district to pro-
 29 vide service facilities in the affected territory.

30 **SECTION 808.** ORS 431.715 is amended to read:

31 431.715. (1) The county court or local public health authority, as defined in ORS 431.003, having
 32 jurisdiction over the territory where conditions dangerous to the public health exist shall adopt a
 33 resolution requesting the Oregon [*Health Authority*] **Department of Health** to initiate proceedings
 34 for the formation of a district or annexation of territory to, or delivery of appropriate water or
 35 sewer services by, an existing district without vote or consent in the affected territory. The res-
 36 olution shall:

37 (a) Describe the boundaries of the affected territory;

38 (b) Describe the conditions alleged to be causing a danger to public health;

39 (c) Request the [*authority*] **department** to ascertain whether conditions dangerous to public
 40 health exist in the affected territory and whether such conditions could be removed or alleviated
 41 by the provision of service facilities; and either

42 (d) Recommend a district that the affected territory could be included in or annexed to for the
 43 purpose of providing the requested service facilities; or

44 (e) Recommend that an existing district provide service facilities in the affected territory.

45 (2) The requesting body shall cause a certified copy of the resolution, together with the time

1 schedule and preliminary plans and specifications, prepared in accordance with subsection (3) of this
2 section, to be forwarded to the Oregon [*Health Authority*] **Department of Health**.

3 (3) The requesting body shall cause a study to be made and preliminary plans and specifications
4 prepared for the service facilities considered necessary to remove or alleviate the conditions causing
5 a danger to public health. The requesting body shall prepare a schedule setting out the steps nec-
6 essary to put the facilities into operation and the time required for each step in implementation of
7 the plans.

8 (4) If the preliminary plans involve facilities that are subject to the jurisdiction of the Environ-
9 mental Quality Commission, a copy of the documents submitted to the Oregon [*Health Authority*]
10 **Department of Health** under subsection (2) of this section shall be submitted to the commission for
11 review, in accordance with ORS 431.725, of those facilities that are subject to its jurisdiction. No
12 order or findings shall be adopted under ORS 431.735 or 431.756 until the plans of the requesting
13 body for such facilities, if any, have been approved by the commission.

14 **SECTION 809.** ORS 431.720 is amended to read:

15 431.720. (1) Upon receipt of the documents submitted under ORS 431.715 (4), the Environmental
16 Quality Commission shall review them to determine whether the conditions dangerous to public
17 health within the affected territory could be removed or alleviated by the provision of service fa-
18 cilities that are subject to the jurisdiction of the commission.

19 (2) If the commission considers such proposed facilities and the time schedule for installation
20 of such facilities adequate to remove or alleviate the dangerous conditions, it shall approve the part
21 of the plans that are subject to its jurisdiction and certify its approval to the Oregon [*Health Au-*
22 *thority*] **Department of Health**.

23 (3) If the commission considers the proposed facilities or time schedule inadequate, [*it*] **the**
24 **commission** shall disapprove the part of the plans that are subject to its jurisdiction and certify its
25 disapproval to the [*authority*] **Oregon Department of Health**. The commission shall also inform the
26 requesting body of its approval or disapproval and, in case of disapproval, of the particular matters
27 causing the disapproval. The requesting body may then submit additional or revised plans.

28 **SECTION 810.** ORS 431.725 is amended to read:

29 431.725. (1) Upon receipt of the certified copy of a resolution adopted under ORS 431.715, the
30 Oregon [*Health Authority*] **Department of Health** shall contact the requesting body within 30 days
31 of receipt of the request and schedule the review and investigation of conditions in the affected
32 territory. The [*authority*] **department** shall review and investigate conditions in the affected terri-
33 tory in accordance with the agreed upon schedule unless both parties agree to an extension. If it
34 finds substantial evidence that a danger to public health exists in the territory, it shall issue an
35 order setting a time and place for a hearing on the resolution. The hearing shall be held within the
36 affected territory, or at a place near the territory if there is no suitable place within the territory
37 at which to hold the hearing, not less than 30 or more than 50 days after the date of the order.

38 (2) Upon issuance of an order for a hearing, the [*authority*] **department** shall immediately give
39 notice of the time and place of the hearing on the resolution by publishing the order and resolution
40 in a newspaper of general circulation within the territory once each week for two successive weeks
41 and by posting copies of the order in four public places within the territory prior to the hearing.

42 **SECTION 811.** ORS 431.730 is amended to read:

43 431.730. (1) At the hearing on the resolution, any interested person shall be given a reasonable
44 opportunity to be heard or to present written statements. The hearing shall be for the sole purpose
45 of determining whether a danger to public health exists due to conditions in the affected territory

1 and whether such conditions could be removed or alleviated by the provision of service facilities.
2 Hearings under this section shall be conducted by an administrative law judge assigned from the
3 Office of Administrative Hearings established under ORS 183.605. It shall be conducted in accord-
4 ance with the provisions of ORS chapter 183. The Oregon [*Health Authority*] **Department of**
5 **Health** shall publish a notice of the issuance of said findings and recommendations in the newspaper
6 utilized for the notice of hearing under ORS 431.725 (2) advising of the opportunity for presentation
7 of a petition under subsection (2) of this section.

8 (2) Within 15 days after the publication of notice of issuance of findings in accordance with
9 subsection (1) of this section, any person who may be affected by the findings, or the affected dis-
10 trict, may petition the Director of the Oregon [*Health Authority*] **Department of Health** according
11 to rules of the [*authority*] **department** to present written or oral arguments relative to the proposal.
12 If a petition is received, the director may set a time and place for receipt of argument.

13 **SECTION 812.** ORS 431.735 is amended to read:

14 431.735. (1) If the Director of the Oregon [*Health Authority*] **Department of Health** after in-
15 vestigation finds that no danger to public health exists because of conditions within the affected
16 territory, or that such a danger does exist but the conditions causing it could not be removed or
17 alleviated by the provision of service facilities, the director shall issue an order terminating the
18 proceedings under ORS 431.705 to 431.760 with reference to the affected territory.

19 (2) If the director finds, after investigation and the hearing required by ORS 431.725, that a
20 danger to public health exists because of conditions within the territory, and that such conditions
21 could be removed or alleviated by the provisions of service facilities in accordance with the plans
22 and specifications and the time schedule proposed, the director shall enter findings in an order, di-
23 rected to the officers described by ORS 431.740, setting out the service facilities to be provided.

24 (3) If the director determines that a danger to public health exists because of conditions within
25 only part of the affected territory, or that such conditions could be removed or alleviated in only
26 part of the affected territory by the provision of service facilities, the director may, subject to con-
27 ditions stated in ORS 431.705 to 431.760, reduce the boundaries of the affected territory to that part
28 which presents a danger or in which the conditions could be removed or alleviated if the area to
29 be excluded would not be surrounded by the territory remaining to be annexed and would not be
30 directly served by the sanitary, water or other facilities necessary to remove or alleviate the danger
31 to public health existing within the territory remaining to be annexed. The findings shall describe
32 the boundaries of the area as reduced by the director.

33 (4) In determining whether to exclude any area the director may consider whether or not such
34 exclusion would unduly interfere with the removal or alleviation of the danger to public health in
35 the area remaining to be annexed and whether the exclusion would result in an illogical boundary
36 for the provision of services.

37 (5) The requesting body or the boundary commission shall, when requested, aid in the determi-
38 nations made under subsections (3) and (4) of this section and, if necessary, cause a study to be
39 made.

40 **SECTION 813.** ORS 431.740 is amended to read:

41 431.740. (1) If a boundary commission has jurisdiction of the affected territory, the Director of
42 the Oregon [*Health Authority*] **Department of Health** shall file the findings and order with such
43 boundary commission. If the affected territory is not within the jurisdiction of a boundary commis-
44 sion, the director shall file the findings and order with the county court of the county having ju-
45 risdiction of the territory.

1 (2) The Oregon [*Health Authority*] **Department of Health** and the Environmental Quality Com-
 2 mission shall use their applicable powers of enforcement to insure that the service facilities are
 3 constructed or installed in conformance with the approved plans and schedules.

4 **SECTION 814.** ORS 431.745 is amended to read:

5 431.745. (1) At any time after the adoption of a resolution under ORS 431.715, a petition, signed
 6 by not less than 51 percent of the electors registered in the affected territory, may be filed with the
 7 Oregon [*Health Authority*] **Department of Health**. The petition shall suggest an alternative plan to
 8 the proposed formation or annexation for removal or alleviation of the conditions dangerous to
 9 public health. The petition shall state the intent of the residents to seek annexation to an existing
 10 city or special district authorized by law to provide service facilities necessary to remove or alle-
 11 viate the dangerous conditions. The petition shall be accompanied by a proposed plan which shall
 12 state the type of facilities to be constructed, a proposed means of financing the facilities and an
 13 estimate of the time required to construct such facilities and place them in operation.

14 (2) Upon receipt of the petition, the [*authority*] **Oregon Department of Health** shall imme-
 15 diately forward a copy of the petition to the Environmental Quality Commission, if the plan accom-
 16 panying the petition involves facilities that are subject to the jurisdiction of the commission. The
 17 [*authority*] **department** also shall forward a copy of the petition to the requesting body and to the
 18 county court or boundary commission where the [*authority*] **department** filed its findings under ORS
 19 431.740 and direct the county court or boundary commission to stay the proceedings pending the
 20 review permitted under this section and ORS 431.750.

21 **SECTION 815.** ORS 431.750 is amended to read:

22 431.750. (1) If the alternative plan submitted under ORS 431.745 (1) involves service facilities
 23 that are subject to the jurisdiction of the commission, the alternative plan shall be submitted to and
 24 reviewed by the Environmental Quality Commission and shall be approved or rejected by the com-
 25 mission within 30 days from the date of filing with the Oregon [*Health Authority*] **Department of**
 26 **Health**. In reviewing the alternative plan, the commission shall consider whether, in its judgment,
 27 the plan contains a preferable alternative for the alleviation or removal of the conditions dangerous
 28 to public health. If the commission determines that the original plan provides the better and most
 29 expeditious method of removing or alleviating the dangerous conditions, [*it*] **the commission** shall
 30 disapprove the alternative plan and inform the [*authority*] **department** of its decision. The
 31 [*authority*] **department** shall order the proceedings on the finding filed under ORS 431.740 to re-
 32 sume.

33 (2) If the commission finds that the alternative plan provides a preferable method of alleviating
 34 or removing the dangerous conditions, the petitioners shall be granted six months within which to
 35 present to the commission information showing:

36 (a) That the affected territory has annexed to a city or special district authorized by law to
 37 provide the service facilities necessary to remove or alleviate the dangerous conditions, and that the
 38 financing of the extension of such facilities to the territory has been assured.

39 (b) Detailed plans and specifications for the construction of such facilities.

40 (c) A time schedule for the construction of such facilities.

41 (d) That such facilities, if constructed, will remove or alleviate the conditions dangerous to
 42 public health in a manner as satisfactory and expeditious as would be accomplished by the formation
 43 or annexation proposed by the original plans.

44 (3) The commission shall review the plan presented to it by the petitioners under subsection (2)
 45 of this section and shall promptly certify to the [*authority*] **Oregon Department of Health** whether

1 the requirements of subsection (2) of this section have been met. If the requirements have been met,
2 the [authority] **department** shall certify the alternative plan to the county court or boundary com-
3 mission having jurisdiction and direct it to proceed in accordance with the alternative plan and in
4 lieu of the plans filed under ORS 431.740. If the requirements of subsection (2) of this section are
5 not met by the petitioners, the [authority] **department** shall certify that fact to the county court
6 or boundary commission having jurisdiction and direct it to continue the proceedings on the plans
7 filed under ORS 431.740.

8 **SECTION 816.** ORS 431.760 is amended to read:

9 431.760. (1) A person who owns property or resides within affected territory that is subject to
10 proceedings under the provisions of ORS 431.705 to 431.760 shall not participate in an official ca-
11 pacity in any investigation, hearing or recommendation relating to such proceedings. If the Director
12 of the Oregon [Health Authority] **Department of Health** is such a person, the director shall so in-
13 form the Governor, who shall appoint another person to fulfill the duties of the director in any in-
14 vestigation, hearing or recommendation relating to the such proceeding.

15 (2) Subsection (1) of this section does not excuse a member of a county court from voting on the
16 order required by ORS 198.792 (2) or 451.445 (1).

17 **SECTION 817.** ORS 431.990 is amended to read:

18 431.990. Unless otherwise specifically provided by law, failure to obey ORS 431.001 to 431.550
19 and 431.990 or rules adopted under ORS 431.001 to 431.550 and 431.990 or failure to obey a lawful
20 written order relating to public health issued by the Director of the Oregon [Health Authority] **De-**
21 **partment of Health** or a local public health administrator is a Class A misdemeanor.

22 **SECTION 818.** ORS 431A.005 is amended to read:

23 431A.005. As used in ORS 431A.005 to 431A.020:

24 (1) "Children's facility" has the meaning given that term in ORS 433.235.

25 (2) "Communicable disease" means a disease or condition, the infectious agent of which may be
26 transmitted by any means from one person or from an animal to another person, that may result in
27 illness, death or severe disability.

28 (3) "Condition of public health importance" means a disease, syndrome, symptom, injury or other
29 threat to public health that is identifiable on an individual or community level.

30 (4) "Disease outbreak" means a significant or notable increase in the number of cases of a dis-
31 ease or other condition of public health importance.

32 (5) "Epidemic" means the occurrence in a community or region of a group of similar conditions
33 of public health importance that are in excess of normal expectancy and derived from a common or
34 propagated source.

35 (6) "Local public health administrator" means a local public health administrator as defined in
36 ORS 431.003 or the authorized representative of a local public health administrator.

37 (7) "Local public health authority" has the meaning given that term in ORS 431.003.

38 (8) "Public health law" means any statute, rule or local ordinance that has the purpose of pro-
39 moting or protecting the public health and that establishes the authority of the Oregon [Health
40 Authority] **Department of Health**, the Public Health Director, the Public Health Officer, a local
41 public health authority or local public health administrator to enforce the statute, rule or local or-
42 dinance.

43 (9) "Public health measure" means a test, medical examination, treatment, isolation, quarantine
44 or other measure imposed on an individual or group of individuals in order to prevent the spread
45 of or exposure to a communicable disease, toxic substance or transmissible agent.

1 (10) "Reportable disease" means a disease or condition, the reporting of which enables a public
2 health authority to take action to protect or to benefit the public health.

3 (11) "School" has the meaning given that term in ORS 433.235.

4 (12) "Specimen" means blood, sputum, urine, stool or other bodily fluids and wastes, tissues, and
5 cultures necessary to perform required tests.

6 (13) "Test" means any diagnostic or investigative analyses or medical procedures that determine
7 the presence or absence of, or exposure to, a condition of potential public health importance, or its
8 precursor in an individual.

9 (14) "Toxic substance" means a substance that may cause illness, disability or death to persons
10 who are exposed to it.

11 **SECTION 819.** ORS 431A.010 is amended to read:

12 431A.010. (1) The Oregon [*Health Authority*] **Department of Health** and local public health ad-
13 ministrators shall have the power to enforce public health laws. The enforcement powers authorized
14 by this section include, but are not limited to, the authority to:

15 (a) Investigate possible violations of public health laws;

16 (b) Issue subpoenas requiring testimony or the production of physical or other evidence;

17 (c) Issue administrative orders to enforce compliance with public health laws;

18 (d) Issue a notice of violation of a public health law and impose a civil penalty as established
19 by rule not to exceed \$500 a day per violation;

20 (e) Enter private property at any reasonable time with consent of the owner or custodian of the
21 property to inspect, investigate, evaluate or conduct tests, or take specimens or samples for testing,
22 as may be reasonably necessary to determine compliance with any public health law;

23 (f) Enter a public place to inspect, investigate, evaluate, conduct tests, or take specimens or
24 samples for testing as may be reasonably necessary to determine compliance with the provisions of
25 any public health law;

26 (g) Seek an administrative warrant from an appropriate court authorizing the inspection, inves-
27 tigation, evaluation or testing, or taking of specimens or samples for testing, if denied entry to
28 property;

29 (h) Restrict access to contaminated property;

30 (i) Require removal or abatement of a toxic substance on any property and prescribe the proper
31 measures for the removal or abatement;

32 (j) Maintain a civil action to enforce compliance with public health laws, including a petition
33 to a court for an order imposing a public health measure appropriate to the public health threat
34 presented;

35 (k) Refer any possible criminal violations of public health laws to a district attorney or other
36 appropriate law enforcement official; and

37 (L) Request the Attorney General to assist in the enforcement of the public health laws.

38 (2) Any administrative actions undertaken by the state under this section shall comply with the
39 provisions of ORS chapter 183.

40 (3) State and local law enforcement officials, to the extent resources are available, must assist
41 the Oregon [*Health Authority*] **Department of Health** and local public health administrators in en-
42 suring compliance with administrative or judicial orders issued pursuant to this section.

43 (4) Nothing in this section shall be construed to limit any other enforcement authority granted
44 by law to a local public health authority or to the state.

45 **SECTION 820.** ORS 431A.015, as amended by section 1, chapter 37, Oregon Laws 2022, is

1 amended to read:

2 431A.015. (1) Unless the Governor has declared a public health emergency under ORS
3 433.441, the Public Health Director may, upon approval of the Governor or the designee of the
4 Governor, take the public health actions described in subsection (2) of this section if the Public
5 Health Director determines that:

6 (a)(A) A communicable disease, reportable disease, disease outbreak, epidemic or other condition
7 of public health importance has affected more than one county;

8 (B) There is an immediate need for a consistent response from the state in order to adequately
9 protect the public health;

10 (C) The resources of the local public health authority or authorities are likely to be quickly
11 overwhelmed or unable to effectively manage the required response; and

12 (D) There is a significant risk to the public health; or

13 (b) A communicable disease, reportable disease, disease outbreak, epidemic or other condition
14 of public health importance is reported in Oregon and is an issue of significant regional or national
15 concern or is an issue for which there is significant involvement from federal authorities requiring
16 state-federal coordination.

17 (2) The Public Health Director, after making the determinations required under subsection (1)
18 of this section, may take the following public health actions:

19 (a) Coordinate the public health response across jurisdictions.

20 (b) Prescribe measures for the:

21 (A) Identification, assessment and control of the communicable disease or reportable disease,
22 disease outbreak, epidemic or other condition of public health importance; and

23 (B) Allocation and distribution of antitoxins, serums, vaccines, immunizing agents, antibiotics,
24 antidotes and other pharmaceutical agents, medical supplies or personal protective equipment.

25 (c) After consultation with appropriate medical experts, create and require the use of diagnostic
26 and treatment guidelines and provide notice of those guidelines to health care providers, institutions
27 and facilities.

28 (d) Require a person to obtain treatment and use appropriate prophylactic measures to prevent
29 the introduction or spread of a communicable disease or reportable disease, unless:

30 (A) The person has a medical diagnosis for which a vaccination is contraindicated; or

31 (B) The person has a religious or conscientious objection to the required treatments or
32 prophylactic measures.

33 (e) Notwithstanding ORS 332.075, direct a district school board to close a children's facility or
34 school under the jurisdiction of the board. The authority granted to the Public Health Director un-
35 der this paragraph supersedes the authority granted to the district school board under ORS 332.075
36 to the extent the authority granted to the board is inconsistent with the authority granted to the
37 director.

38 (f) Issue guidelines for private businesses regarding appropriate work restrictions.

39 (g) Organize public information activities regarding the public health response to circumstances
40 described in subsection (1) of this section.

41 (h) Adopt reporting requirements for, and provide notice of those reporting requirements to,
42 health care providers, institutions and facilities for the purpose of obtaining information directly
43 related to the public health threat presented.

44 (i) Take control of antitoxins, serums, vaccines, immunizing agents, antibiotics, antidotes and
45 other pharmaceutical agents, medical supplies or personal protective equipment.

1 (j) Direct and deploy emergency health care providers under ORS 401.661.

2 (3) The authority granted to the Public Health Director under this section is not intended to
3 override the general authority provided to a local public health authority except as already per-
4 mitted by law, or under the circumstances described in subsection (1) of this section.

5 (4) If the Oregon [*Health Authority*] **Department of Health** adopts temporary rules to implement
6 subsection (2) of this section, the rules adopted are not subject to the provisions of ORS 183.335
7 (6)(a). The [*authority*] **department** may amend the temporary rules adopted under this subsection
8 as often as is necessary to respond to the public health threat.

9 (5) If it is necessary for the [*authority*] **department** to purchase antitoxins, serums, vaccines,
10 immunizing agents, antibiotics, antidotes or other pharmaceutical agents, medical supplies or per-
11 sonal protective equipment, the purchases are not subject to the provisions of ORS chapter 279A,
12 279B or 279C.

13 (6) If property is taken under the authority granted to the Public Health Director under sub-
14 section (2) of this section, the owner of the property is entitled to reasonable compensation from the
15 state.

16 **SECTION 821.** ORS 431A.050 is amended to read:

17 431A.050. In cooperation with representatives of the emergency medical services professions, the
18 Oregon [*Health Authority*] **Department of Health** shall develop a comprehensive emergency medical
19 services and trauma system. The [*authority*] **department** shall report progress on the system to the
20 Legislative Assembly.

21 **SECTION 822.** ORS 431A.055 is amended to read:

22 431A.055. (1) The State Trauma Advisory Board is established within the Oregon [*Health Au-*
23 *thority*] **Department of Health**. The board must have at least 18 members. The Director of the
24 Oregon [*Health Authority*] **Department of Health** shall appoint at least 17 voting members as de-
25 scribed in subsection (2) of this section. The chairperson of the State Emergency Medical Service
26 Committee established under ORS 682.039, or the chairperson's designee, shall be a nonvoting
27 member.

28 (2) The director shall, subject to subsection (3) of this section, appoint members to serve on the
29 State Trauma Advisory Board, including:

30 (a) At least one member from each area trauma advisory board described in ORS 431A.070.

31 (b) At least two physicians who are trauma surgeons from each trauma center designated by the
32 [*authority*] **department** as a Level I trauma center.

33 (c) From trauma centers designated by the [*authority*] **department** as Level I or Level II trauma
34 centers, at least one physician who is a neurosurgeon or orthopedic surgeon.

35 (d) From trauma centers designated by the [*authority*] **department** as Level I trauma centers:

36 (A) At least one physician who practices emergency medicine; and

37 (B) At least one nurse who is a trauma program manager.

38 (e) From trauma centers designated by the [*authority*] **department** as Level II trauma centers:

39 (A) At least one physician who is a trauma surgeon; and

40 (B) At least one nurse who is a trauma coordinator.

41 (f) From trauma centers designated by the [*authority*] **department** as Level III trauma centers:

42 (A) At least one physician who is a trauma surgeon or who practices emergency medicine; and

43 (B) At least one nurse who is a trauma coordinator.

44 (g) At least one nurse who is a trauma coordinator from a trauma center designated by the
45 [*authority*] **department** as a Level IV trauma center.

- 1 (h) From a predominately urban area:
- 2 (A) At least one trauma hospital administration representative; and
- 3 (B) At least one emergency medical services provider.
- 4 (i) From a predominately rural area:
- 5 (A) At least one trauma hospital administration representative; and
- 6 (B) At least one emergency medical services provider.
- 7 (j) At least two public members.
- 8 (k) At least one representative from a public safety answering point.
- 9 (3) In appointing members under subsection (2)(j) of this section, the director may not appoint
- 10 a member who has an economic interest in the provision of emergency medical services or trauma
- 11 care.
- 12 (4)(a) The State Trauma Advisory Board shall:
- 13 (A) Advise the [*authority*] **department** with respect to the [*authority's*] **department's** duties and
- 14 responsibilities under ORS 431A.050 to 431A.080, 431A.085, 431A.090, 431A.095, 431A.100 and
- 15 431A.105;
- 16 (B) Advise the [*authority*] **department** with respect to the adoption of rules under ORS 431A.050
- 17 to 431A.080, 431A.085, 431A.095 and 431A.105;
- 18 (C) Analyze data related to the emergency medical services and trauma system developed pur-
- 19 suant to ORS 431A.050; and
- 20 (D) Suggest improvements to the emergency medical services and trauma system developed
- 21 pursuant to ORS 431A.050.
- 22 (b) In fulfilling the duties, functions and powers described in this subsection, the board shall:
- 23 (A) Make evidence-based decisions that emphasize the standard of care attainable throughout
- 24 this state and by individual communities located in this state; and
- 25 (B) Seek the advice and input of coordinated care organizations.
- 26 (5)(a) The State Trauma Advisory Board may establish a Quality Assurance Subcommittee for
- 27 the purposes of providing peer review support to and discussing evidence-based guidelines and pro-
- 28 tocols with the members of area trauma advisory boards and trauma care providers located in this
- 29 state.
- 30 (b) Notwithstanding ORS 414.227, meetings of the subcommittee are not subject to ORS 192.610
- 31 to 192.690.
- 32 (c) Personally identifiable information provided by the State Trauma Advisory Board to indi-
- 33 viduals described in paragraph (a) of this subsection is not subject to ORS 192.311 to 192.478.
- 34 (6) A majority of the voting members of the board constitutes a quorum for the transaction of
- 35 business.
- 36 (7) Official action taken by the board requires the approval of a majority of the voting members
- 37 of the board.
- 38 (8) The board shall nominate and elect a chairperson from among its voting members.
- 39 (9) The board shall meet at the call of the chairperson or of a majority of the voting members
- 40 of the board.
- 41 (10) The board may adopt rules necessary for the operation of the board.
- 42 (11) The term of office of each voting member of the board is four years, but a voting member
- 43 serves at the pleasure of the director. Before the expiration of the term of a voting member, the
- 44 director shall appoint a successor whose term begins January 1 next following. A voting member is
- 45 eligible for reappointment. If there is a vacancy for any cause, the director shall make an appoint-

1 ment to become immediately effective for the unexpired term.

2 (12) Members of the board are not entitled to compensation, but may be reimbursed from funds
3 available to the Oregon [*Health Authority*] **Department of Health**, for actual and necessary travel
4 and other expenses incurred by them in the performance of their official duties in the manner and
5 amounts provided for in ORS 292.495.

6 **SECTION 823.** ORS 431A.060 is amended to read:

7 431A.060. (1) With the advice of the State Trauma Advisory Board, the Oregon [*Health*
8 *Authority*] **Department of Health** shall:

9 (a) Develop and monitor a statewide trauma system; and

10 (b) Designate within the state, trauma areas consistent with local resources, geography and
11 current patient referral patterns.

12 (2) Each trauma area shall have:

13 (a) Central medical control for all field care and transportation consistent with geographic and
14 current communications capability.

15 (b) The development of triage protocols.

16 (c) One or more hospitals categorized according to trauma care capabilities using standards
17 adopted by the [*authority*] **department** by rule. Such rules shall be modeled after the American
18 College of Surgeons Committee on Trauma standards.

19 (d) The establishment of area trauma advisory boards to develop trauma system plans for each
20 trauma area.

21 (3) On and after July 1, 1986, the [*authority*] **department** may designate trauma system hospitals
22 in accordance with area trauma advisory board plans which meet state objectives and standards.

23 (4) Trauma system plans shall be implemented by June 30, 1987, in Health Systems Area I, and
24 June 30, 1988, in Health Systems Areas II and III.

25 **SECTION 824.** ORS 431A.065 is amended to read:

26 431A.065. (1) Prior to approval and implementation of area trauma plans submitted to the
27 Oregon [*Health Authority*] **Department of Health** by area trauma advisory boards, the [*authority*]
28 **department** shall adopt rules pursuant to ORS chapter 183 which specify state trauma objectives
29 and standards, hospital categorization criteria and criteria and procedures to be utilized in desig-
30 nating trauma system hospitals.

31 (2) For approved area trauma plans recommending designation of trauma system hospitals, the
32 [*authority*] **department** rules shall provide for:

33 (a) The transport of a member of a health maintenance organization, or other managed health
34 care system, as defined by rule, to a hospital that contracts with the health maintenance organiza-
35 tion when central medical control determines that the condition of the member permits such trans-
36 port; and

37 (b) The development and utilization of protocols between designated trauma hospitals and health
38 maintenance organizations, or other managed health care systems, as defined by rule, including no-
39 tification of admission of a member to a designated trauma hospital within 48 hours of admission,
40 and coordinated discharge planning between a designated trauma hospital and a hospital that con-
41 tracts with a health maintenance organization to facilitate transfer of the member when the medical
42 condition of the member permits.

43 **SECTION 825.** ORS 431A.070 is amended to read:

44 431A.070. (1)(a) Area trauma advisory boards shall meet as often as necessary to:

45 (A) Identify specific trauma area needs and problems; and

1 (B) Propose to the Oregon [*Health Authority*] **Department of Health** area trauma system plans
2 and changes that meet state standards and objectives.

3 (b) The [*authority*] **department**, acting with the advice of the State Trauma Advisory Board
4 established under ORS 431A.055, has the authority to implement plans and changes proposed under
5 paragraph (a) of this subsection.

6 (2) In concurrence with the Governor, the [*authority*] **department** shall select members for each
7 trauma area from lists submitted by local associations of emergency medical services providers,
8 emergency nurses, emergency physicians, surgeons, hospital administrators, emergency medical ser-
9 vices agencies and citizens at large. The members of an area trauma advisory board must be broadly
10 representative of the trauma area as a whole. An area trauma advisory board must consist of at
11 least 16 members and must include:

12 (a) Two surgeons;

13 (b) Two physicians serving as emergency physicians;

14 (c) Two hospital administrators from different hospitals;

15 (d) Two nurses serving as emergency nurses;

16 (e) Two emergency medical services providers serving different emergency medical services;

17 (f) One emergency medical services medical director;

18 (g) Two representatives of the public at large selected from among those submitting letters of
19 application in response to public notice by the [*authority*] **department**;

20 (h) One representative of any bordering state that is included within the patient referral area;

21 (i) One ambulance service owner or operator or both; and

22 (j) One representative from a public safety answering point.

23 (3) Members of an area trauma advisory board described in subsection (2)(g) of this section may
24 not have an economic interest in health care services provided in the trauma area for which the
25 area trauma advisory board makes proposals under subsection (1)(a)(B) of this section.

26 **SECTION 826.** ORS 431A.080 is amended to read:

27 431A.080. The Oregon [*Health Authority*] **Department of Health** shall continuously identify the
28 causes of trauma in Oregon, and propose programs of prevention thereof for consideration by the
29 Legislative Assembly or others.

30 **SECTION 827.** ORS 431A.085 is amended to read:

31 431A.085. (1) The Emergency Medical Services and Trauma Systems Program is created within
32 the Oregon [*Health Authority*] **Department of Health** for the following purposes:

33 (a) Administering and regulating ambulances;

34 (b) Training and licensing emergency medical services providers;

35 (c) Establishing and maintaining emergency medical systems, including trauma systems; and

36 (d) Maintaining the Oregon Trauma Registry for purposes related to trauma reimbursement,
37 system quality assurance and cost efficiency.

38 (2) The duties vested in the [*authority*] **department** under ORS 431A.050 to 431A.080 and ORS
39 chapter 682 shall be performed by the program.

40 (3) The program shall be administered by a director.

41 (4) The director of the program shall apply moneys transferred to the program under ORS
42 442.870 to:

43 (a) Developing state and regional standards of care;

44 (b) Developing a statewide educational curriculum to teach standards of care;

45 (c) Implementing quality improvement programs;

- 1 (d) Creating a statewide data system for prehospital care; and
- 2 (e) Providing ancillary services to enhance this state’s emergency medical service system.
- 3 (5) The director of the program shall adopt rules for the Oregon Trauma Registry. Rules adopted
- 4 under this subsection must establish:
 - 5 (a) The information that must be reported by trauma centers to the program for inclusion in the
 - 6 Oregon Trauma Registry;
 - 7 (b) The form and frequency of reporting information under paragraph (a) of this subsection; and
 - 8 (c) Procedures and standards for the administration of the Oregon Trauma Registry.
 - 9 (6) The director of the program may adopt rules establishing, from information maintained in the
 - 10 Oregon Trauma Registry, a registry of information related to brain injury trauma.

11 **SECTION 828.** ORS 431A.090 is amended to read:

12 431A.090. (1) In addition to and not in lieu of ORS 431A.050 to 431A.075, the Oregon [*Health*

13 *Authority*] **Department of Health** shall designate trauma centers in areas that are within the ju-

14 risdiction of trauma advisory boards other than in the area within the jurisdiction of area trauma

15 advisory board 1.

16 (2) The [*authority*] **department** shall enter into contracts with designated trauma centers and

17 monitor and assure quality of care and appropriate costs for trauma patients meeting trauma system

18 entry criteria.

19 (3) All findings and conclusions, interviews, reports, studies, communications and statements

20 procured by or furnished to the [*authority*] **department**, the State Trauma Advisory Board or an

21 area trauma advisory board in connection with obtaining the data necessary to perform patient care

22 quality assurance functions shall be confidential pursuant to ORS 192.338, 192.345 and 192.355.

23 (4)(a) All data received or compiled by the State Trauma Advisory Board or any area trauma

24 advisory board in conjunction with [*authority*] **department** monitoring and assuring quality of

25 trauma patient care shall be confidential and privileged, nondiscoverable and inadmissible in any

26 proceeding. No person serving on or communicating information to the State Trauma Advisory

27 Board or an area trauma advisory board shall be examined as to any such communications or to the

28 findings or recommendations of such board. A person serving on or communicating information to

29 the State Trauma Advisory Board or an area trauma advisory board shall not be subject to an

30 action for civil damages for actions taken or statements made in good faith. Nothing in this section

31 affects the admissibility in evidence of a party’s medical records not otherwise confidential or priv-

32 ileged dealing with the party’s medical care. The confidentiality provisions of ORS 41.675 and 41.685

33 shall also apply to the monitoring and quality assurance activities of the State Trauma Advisory

34 Board, area trauma advisory boards and the [*authority*] **department**.

35 (b) As used in this section, “data” includes but is not limited to written reports, notes, records

36 and recommendations.

37 (5) Final reports by the [*authority*] **department**, the State Trauma Advisory Board and area

38 trauma advisory boards shall be available to the public.

39 (6) The [*authority*] **department** shall publish a biennial report of the Emergency Medical Ser-

40 vices and Trauma Systems Program and trauma systems activities.

41 **SECTION 829.** ORS 431A.095 is amended to read:

42 431A.095. (1) Designated trauma centers and providers, physical rehabilitation centers, alcohol

43 and drug rehabilitation centers and ambulances shall develop a monthly log of all unsponsored, in-

44 adequately insured trauma system patients determined by the hospital to have an injury severity

45 score greater than or equal to 13, and submit monthly to the Emergency Medical Services and

1 Trauma Systems Program the true costs and unpaid balance for the care of these patients.

2 (2) No reimbursement for these patients shall occur until:

3 (a) All information required by the Emergency Medical Services and Trauma Systems Program
4 rules is submitted to the Oregon Trauma Registry; and

5 (b) The Emergency Medical Services and Trauma Systems Program confirms that the injury se-
6 verity score, as defined by the Oregon [*Health Authority*] **Department of Health** by rule, is greater
7 than or equal to 13.

8 (3) The Emergency Medical Services and Trauma Systems Program shall cause providers to be
9 reimbursed in the following decreasing order of priority:

10 (a) Designated trauma centers and providers;

11 (b) Physical rehabilitation centers;

12 (c) Alcohol and drug rehabilitation centers; and

13 (d) Ambulances.

14 (4) Subject to the availability of funds, the Emergency Medical Services and Trauma Systems
15 Program shall cause the designated trauma centers and providers to be paid first in full. Subsequent
16 providers shall be paid from the balance remaining according to priority.

17 (5) Any matching funds, available pursuant to the Trauma Care Systems Planning and Develop-
18 ment Act of 1990 (P.L. 101-590), that are available for purposes of the Emergency Medical Services
19 and Trauma Systems Program may be used for related studies and projects and reimbursement for
20 uncompensated care.

21 **SECTION 830.** ORS 431A.100 is amended to read:

22 431A.100. (1) As used in this section, “individually identifiable information” means:

23 (a) Individually identifiable health information as that term is defined in ORS 179.505; and

24 (b) Information that could be used to identify a health care provider, nontransporting prehospital
25 care provider, ambulance service medical transportation agency or health care facility.

26 (2) Notwithstanding ORS 431A.090, individually identifiable information may be released from
27 the Oregon Trauma Registry:

28 (a) For use in executive session to conduct specific case reviews by:

29 (A) The State Trauma Advisory Board or any area trauma advisory board;

30 (B) The State Emergency Medical Service Committee; or

31 (C) The Emergency Medical Services for Children Advisory Committee.

32 (b) To the Oregon [*Health Authority*] **Department of Health** for purposes related to the ad-
33 ministration of public health programs, including:

34 (A) The establishment of a registry of information related to brain injury trauma as described
35 in ORS 431A.085 (6); and

36 (B) The performance of epidemiological investigations of the causes of and risk factors associ-
37 ated with trauma injuries.

38 (c) To an emergency medical services provider or a designated trauma center for purposes re-
39 lated to quality of service assurance and improvement, if the information is related to the treatment
40 of an individual by the provider or center.

41 (d) To the Department of Human Services for purposes related to enabling the department to
42 plan for and provide services to individuals adversely affected by trauma injuries, if the department
43 agrees to use the information only for the purposes described in this paragraph and to maintain the
44 confidentiality of the information.

45 (e) To a person conducting research if:

1 (A) An institutional review board has approved the research in accordance with 45 C.F.R. part
2 46; and

3 (B) The person agrees to maintain the confidentiality of the information.

4 (f) To the designated official of an ambulance service or to a nontransporting prehospital care
5 provider pursuant to ORS 682.056.

6 (3) The Oregon [*Health Authority*] **Department of Health** may release only the minimum
7 amount of individually identifiable information necessary to carry out the purposes for which the
8 information is released under this section.

9 **SECTION 831.** ORS 431A.105 is amended to read:

10 431A.105. (1) Subject to available funding from gifts, grants or donations, the Emergency Med-
11 ical Services for Children Program is established in the Oregon [*Health Authority*] **Department of**
12 **Health**. The Emergency Medical Services for Children Program shall operate in cooperation with
13 the Emergency Medical Services and Trauma Systems Program to promote the delivery of emer-
14 gency medical and trauma services to the children of Oregon.

15 (2) The Oregon [*Health Authority*] **Department of Health** shall:

16 (a) Employ or contract with professional, technical, research and clerical staff as required to
17 implement this section.

18 (b) Provide technical assistance to the State Trauma Advisory Board on the integration of an
19 emergency medical services for children program into the statewide emergency medical services and
20 trauma system.

21 (c) Provide advice and technical assistance to area trauma advisory boards on the integration
22 of an emergency medical services for children program into area trauma system plans.

23 (d) Establish an Emergency Medical Services for Children Advisory Committee.

24 (e) Establish guidelines for:

25 (A) The approval of emergency and critical care medical service facilities for pediatric care, and
26 for the designation of specialized regional pediatric critical care centers and pediatric trauma care
27 centers.

28 (B) Referring children to appropriate emergency or critical care medical facilities.

29 (C) Necessary prehospital and other pediatric emergency and critical care medical service
30 equipment.

31 (D) Developing a coordinated system that will allow children to receive appropriate initial sta-
32 bilization and treatment with timely provision of, or referral to, the appropriate level of care, in-
33 cluding critical care, trauma care or pediatric subspecialty care.

34 (E) Protocols for prehospital and hospital facilities encompassing all levels of pediatric emer-
35 gency services, pediatric critical care and pediatric trauma care.

36 (F) Rehabilitation services for critically ill or injured children.

37 (G) An interfacility transfer system for critically ill or injured children.

38 (H) Initial and continuing professional education programs for emergency medical services per-
39 sonnel, including training in the emergency care of infants and children.

40 (I) A public education program concerning the Emergency Medical Services for Children Pro-
41 gram including information on emergency access telephone numbers.

42 (J) The collection and analysis of statewide pediatric emergency and critical care medical ser-
43 vices data from emergency and critical care medical service facilities for the purpose of quality
44 improvement by such facilities, subject to relevant confidentiality requirements.

45 (K) The establishment of cooperative interstate relationships to facilitate the provision of ap-

1 appropriate care for pediatric patients who must cross state borders to receive emergency and critical
2 care services.

3 (L) Coordination and cooperation between the Emergency Medical Services for Children Pro-
4 gram and other public and private organizations interested or involved in emergency and critical
5 care for children.

6 **SECTION 832.** ORS 431A.125 is amended to read:

7 431A.125. (1) Subject to available funding, including gifts, grants or donations, the Oregon
8 [Health Authority] **Department of Health** shall establish and administer a statewide injury and vi-
9 olence prevention program. In administering the program, the [authority] **department** may:

10 (a) Collect and analyze data on injury and violence, including but not limited to data from death
11 certificates, emergency department records, hospitalization records, medical examiner and coroner
12 records and police reports and surveys;

13 (b) Develop and revise, as necessary, a comprehensive state plan for injury and violence pre-
14 vention;

15 (c) Provide technical support and training to communities, local health departments, state and
16 local agencies, organizations and individuals;

17 (d) Prepare an annual report on injury and violence in Oregon;

18 (e) Conduct special studies of, collect data on and monitor and evaluate activities related to the
19 risk factors, protective factors, causes and prevention of morbidity and mortality resulting from in-
20 jury that occurs as a result of unintentional or undetermined causes, nonfatal self-harming behavior,
21 suicide, assault or homicide;

22 (f) Work with researchers to enhance knowledge about reducing injury and violence in Oregon;

23 (g) Develop collaborative relationships with other state agencies and private and community
24 organizations for the purpose of establishing programs that promote injury and violence prevention;

25 (h) Provide information to assist in the development of institutional and public policies that will
26 reduce injury and violence;

27 (i) Collaborate with local public health authorities, persons providing emergency medical ser-
28 vices, hospitals, law enforcement agencies, research institutions and other organizations to conduct
29 studies of, collect data on and monitor and evaluate activities related to the causes and prevention
30 of injury and violence;

31 (j) Publish compilations of data and reports about injury and violence, provided that the data
32 and reports do not identify individual cases or sources of information; and

33 (k) Adopt rules as necessary to carry out this section.

34 (2) Notwithstanding subsection (1) of this section, the [authority] **Oregon Department of**
35 **Health** may not require a hospital, as defined in ORS 442.015, to report data to the [authority] **de-**
36 **partment** under this section unless the [authority] **department** is otherwise authorized to require
37 the hospital to report the data to the [authority] **department** under other state or federal law.

38 (3)(a) Except as provided in paragraph (c) of this subsection, all data collected pursuant to this
39 section is:

40 (A) Confidential and not subject to public disclosure law under ORS 192.311 to 192.478; and

41 (B) Privileged.

42 (b) Except as required by the administration or enforcement of the public health laws of this
43 state or rules adopted under the public health laws of this state, a public health official, employee
44 or agent may not be examined in an administrative or judicial proceeding as to the existence or
45 content of data collected pursuant this section.

1 (c) The [authority] **department** shall adopt rules under which confidential data collected pur-
2 suant to this section may be requested by a third party for the purpose of conducting research and
3 studies for the public good. Research and studies conducted using confidential data collected pur-
4 suant to this section must be reviewed and approved by a committee established for the protection
5 of human research subjects pursuant to 45 C.F.R. 46.

6 (4) A person who furnishes information to the [authority] **department** for a purpose described
7 in this section is not civilly or criminally liable for any loss, damage or injury arising out of the
8 furnishing of that information to the [authority] **department**.

9 (5) The [authority] **department** may accept gifts, grants or donations from any public or private
10 source for the purpose of carrying out this section. Funds received under this subsection shall be
11 deposited in the Oregon [Health Authority] **Department of Health** Fund established under ORS
12 413.101 and are continuously appropriated to the [authority] **department** for the purposes of carry-
13 ing out this section.

14 **SECTION 833.** ORS 431A.150 is amended to read:

15 431A.150. (1) The Oregon [Health Authority] **Department of Health** shall develop a program to
16 reimburse smoking cessation program providers for services provided to residents of this state who
17 are not insured for smoking cessation costs.

18 (2) The [authority] **department** shall adopt rules for the program established under subsection
19 (1) of this section that include but are not limited to criteria for provider and participant eligibility
20 and other program specifications. The rules shall establish a maximum reimbursement limit for each
21 participant.

22 (3) Costs for smoking cessation programs funded under subsection (1) of this section are eligible
23 for reimbursement from funds received by the State of Oregon from tobacco products manufacturers
24 under the Master Settlement Agreement of 1998.

25 **SECTION 834.** ORS 431A.153 is amended to read:

26 431A.153. (1) There is established in the General Fund the Tobacco Use Reduction Account.

27 (2) Amounts credited to the Tobacco Use Reduction Account are continuously appropriated to
28 the Oregon [Health Authority] **Department of Health** for the funding of prevention and education
29 programs designed to reduce cigarette and tobacco use.

30 **SECTION 835.** ORS 431A.155 is amended to read:

31 431A.155. The Oregon [Health Authority] **Department of Health** shall develop and adopt rules
32 for awarding grants to programs for educating the public on the risk of tobacco use, including but
33 not limited to:

34 (1) Educating children on the health hazards and consequences of tobacco use; and

35 (2) Promoting enrollment in smoking cessation programs and programs that prevent smoking-
36 related diseases including cancer and other diseases of the heart, lungs and mouth.

37 **SECTION 836.** ORS 431A.158 is amended to read:

38 431A.158. During each biennium, the Oregon [Health Authority] **Department of Health** shall
39 prepare a report regarding the awarding of grants from the Tobacco Use Reduction Account and the
40 formation of public-private partnerships in connection with the receipt of funds from the account.
41 The [authority] **department** shall present the report to the Governor and to those committees of the
42 Legislative Assembly to which matters of public health are assigned.

43 **SECTION 837.** ORS 431A.175 is amended to read:

44 431A.175. (1) As used in this section and ORS 431A.183:

45 (a)(A) "Inhalant delivery system" means:

1 (i) A device that can be used to deliver nicotine or cannabinoids in the form of a vapor or aer-
 2 osol to a person inhaling from the device; or

3 (ii) A component of a device described in this subparagraph or a substance in any form sold for
 4 the purpose of being vaporized or aerosolized by a device described in this subparagraph, whether
 5 the component or substance is sold separately or is not sold separately.

6 (B) “Inhalant delivery system” does not include:

7 (i) Any product that has been approved by the United States Food and Drug Administration for
 8 sale as a tobacco cessation product or for any other therapeutic purpose, if the product is marketed
 9 and sold solely for the approved purpose; and

10 (ii) Tobacco products.

11 (b) “Tobacco products” means:

12 (A) Bidis, cigars, cheroots, stogies, periques, granulated, plug cut, crimp cut, ready rubbed and
 13 other smoking tobacco, snuff, snuff flour, cavendish, plug and twist tobacco, fine-cut and other
 14 chewing tobaccos, shorts, refuse scraps, clippings, cuttings and sweepings of tobacco and other
 15 forms of tobacco, prepared in a manner that makes the tobacco suitable for chewing or smoking in
 16 a pipe or otherwise, or for both chewing and smoking;

17 (B) Cigarettes as defined in ORS 323.010 (1); or

18 (C) A device that:

19 (i) Can be used to deliver tobacco products to a person using the device; and

20 (ii) Has not been approved by the United States Food and Drug Administration for sale as a
 21 tobacco cessation product or for any other therapeutic purpose, if the product is marketed and sold
 22 solely for the approved purpose.

23 (2) It is unlawful:

24 (a) To violate ORS 167.755.

25 (b) To fail as a retailer of tobacco products to post a notice substantially similar to the notice
 26 described in subsection (3) of this section in a location that is clearly visible to the seller and the
 27 purchaser of the tobacco products.

28 (c) To fail as a retailer of inhalant delivery systems to post a notice in a location that is clearly
 29 visible to the seller and the purchaser of the inhalant delivery systems that it is unlawful to sell
 30 inhalant delivery systems to persons under 21 years of age. The Oregon [*Health Authority*] **Depart-**
 31 **ment of Health** shall adopt by rule the content of the notice required under this paragraph.

32 (d) To distribute, sell or allow to be sold an inhalant delivery system if the inhalant delivery
 33 system is not labeled in accordance with rules adopted by the [*authority*] **department**.

34 (e) To distribute, sell or allow to be sold an inhalant delivery system if the inhalant delivery
 35 system is not packaged in child-resistant safety packaging, as required by the [*authority*] **depart-**
 36 **ment** by rule.

37 (f) To distribute, sell or allow to be sold an inhalant delivery system if the inhalant delivery
 38 system is packaged in a manner that is attractive to minors, as determined by the [*authority*] **de-**
 39 **partment** by rule.

40 (g) To distribute, sell or allow to be sold cigarettes in any form other than a sealed package that
 41 contains at least 20 cigarettes.

42 (3) The notice required by subsection (2)(b) of this section must be substantially as follows:

44
 45 NOTICE

1 The sale of tobacco in any form to persons under 21 years of age is prohibited by law. Any
 2 person who sells, or allows to be sold, tobacco to a person under 21 years of age is in violation of
 3 Oregon law.

4
 5
 6 (4) Rules adopted under subsection (2)(d), (e) and (f) of this section must be consistent with any
 7 regulation adopted by the United States Food and Drug Administration related to labeling or pack-
 8 aging requirements for inhalant delivery systems.

9 **SECTION 838.** ORS 431A.178 is amended to read:

10 431A.178. (1) The Oregon [*Health Authority*] **Department of Health** may impose a civil penalty
 11 against a person that engages in the wholesale or retail sale of tobacco products or inhalant deliv-
 12 ery systems, as those terms are defined in ORS 431A.175, if the person violates:

13 (a) ORS 431A.175 or a rule adopted under ORS 431A.175; or

14 (b) A state law or rule or federal law or regulation that governs the wholesale or retail sale of
 15 tobacco products or inhalant delivery systems for purposes related to public health and safety.

16 (2) A civil penalty imposed under this section may not be more than \$5,000 per violation.

17 (3) Amounts collected under this section shall be deposited in the General Fund.

18 (4) If a civil penalty is imposed under this section, a civil penalty may not be imposed for the
 19 commission of the same act under ORS 431A.216 or 431A.218.

20 **SECTION 839.** ORS 431A.183 is amended to read:

21 431A.183. (1)(a) The Oregon [*Health Authority*] **Department of Health** may enter into an
 22 agreement with federal agencies to assist the [*authority*] **department** in monitoring and enforcing
 23 federal laws and regulations related to tobacco products or inhalant delivery systems.

24 (b) The [*authority*] **department** may commission employees of the [*authority*] **department** as
 25 federal officers for the purpose of carrying out the duties prescribed under an agreement entered
 26 into under paragraph (a) of this subsection.

27 (c) The [*authority*] **department** may adopt rules and take any action necessary to carry out the
 28 [*authority's*] **department's** duties as established under an agreement entered into under paragraph
 29 (a) of this subsection.

30 (2)(a) The [*authority*] **department** may enter into an agreement with federal, state and local
 31 government agencies, including federal, state and local law enforcement agencies, to assist the [*au-*
 32 *thority*] **department** in carrying out the [*authority's*] **department's** duties under ORS 431A.175 and
 33 to conduct random, unannounced inspections of wholesalers and retailers of tobacco products or
 34 inhalant delivery systems to ensure compliance with the laws of this state designed to discourage
 35 the use of tobacco products and inhalant delivery systems by persons under 21 years of age, in-
 36 cluding ORS 167.755, 167.760, 167.765, 167.770, 167.775, 167.780 and 431A.175.

37 (b) The [*authority*] **department** shall ensure that a retailer is inspected as described in this
 38 subsection at least once each year. A retailer that is found to be out of compliance with the laws
 39 described in paragraph (a) of this subsection may be reinspected as the [*authority*] **department** de-
 40 termines necessary.

41 (c) The [*authority*] **department** may adopt rules to carry out paragraph (b) of this subsection.

42 (3)(a) If the [*authority*] **Oregon Department of Health** enters into an agreement with the De-
 43 partment of State Police under subsection (2) of this section, the Department **of State Police** may
 44 employ retired state police officers who are active reserve officers. Service by a retired state police
 45 officer under this paragraph is subject to ORS 238.082.

1 (b) The Department **of State Police** may not use the services of a retired state police officer
2 to displace an active state police member.

3 (4)(a) The [authority] **Oregon Department of Health** may apply for and accept moneys from the
4 federal government or other public or private sources and, in accordance with any federal re-
5 strictions or other funding source restrictions, use those moneys to carry out the duties and func-
6 tions related to preventing the use of tobacco products or inhalant delivery systems by persons who
7 are not of the minimum age to purchase tobacco products or inhalant delivery systems.

8 (b) Moneys received by the [authority] **department** under paragraph (a) of this subsection shall
9 be deposited in the Oregon [Health Authority] **Department of Health** Fund established under ORS
10 413.101. Moneys subject to a federal restriction or other funding source restriction must be ac-
11 counted for separately from other fund moneys.

12 (5)(a) The [authority] **department** shall submit a written report each biennium to the Governor
13 and to the appropriate committee or interim committee of the Legislative Assembly to which matters
14 of public health are assigned.

15 (b) The report submitted under this subsection must contain information describing:

16 (A) The activities carried out to enforce the laws listed in subsection (2) of this section during
17 the previous biennium;

18 (B) The extent of success achieved in reducing the availability of tobacco products and inhalant
19 delivery systems to persons under 21 years of age; and

20 (C) The strategies to be utilized for enforcing the laws listed in subsection (2) of this section
21 during the biennium following the report.

22 (6) The [authority] **department** shall adopt rules for conducting random inspections of estab-
23 lishments that distribute or sell tobacco products or inhalant delivery systems. The rules shall pro-
24 vide that inspections may take place:

25 (a) Only in areas open to the public;

26 (b) Only during the hours that tobacco products or inhalant delivery systems are distributed or
27 sold; and

28 (c) No more frequently than once a month in any single establishment unless a compliance
29 problem exists or is suspected.

30 **SECTION 840.** ORS 431A.198 is amended to read:

31 431A.198. (1) Except as provided in subsection (8) of this section, the Department of Revenue
32 shall issue licenses to, and annually renew licenses for, a person that makes retail sales of tobacco
33 products or inhalant delivery systems at qualified premises.

34 (2) To be qualified for licensure under this section, a premises:

35 (a) Must be a premises that is fixed and permanent;

36 (b) May not be located in an area that is zoned exclusively for residential use; and

37 (c) Must meet any qualification for engaging in the retail sale of tobacco products and inhalant
38 delivery systems enacted as an ordinance by the governing body of a local public health authority
39 under ORS 431A.218, provided that the Department **of Revenue** has knowledge of the qualification
40 pursuant to an agreement entered into under ORS 431A.212.

41 (3) For the purpose of licensing premises under this section, the department shall adopt rules
42 establishing:

43 (a) Procedures for applying for and renewing licenses; and

44 (b) Licensure application, issuance and renewal fees.

45 (4) An application submitted under this section and information related to applying for or re-

1 newing a license under this section is confidential and not subject to public disclosure under ORS
2 192.311 to 192.478. However, the department may share an application submitted under this section
3 and information related to applying for or renewing a license under this section with the Depart-
4 ment of Justice, the Oregon [*Health Authority*] **Department of Health** or a local public health au-
5 thority.

6 (5) The Department of Revenue shall publish a list that includes the name of each person to
7 which a license has been issued under this section, the address of each premises for which a license
8 has been issued under this section and any other information that the department determines is
9 relevant to the public with respect to the retail sale of tobacco products and inhalant delivery sys-
10 tems.

11 (6) Fees established under subsection (3)(b) of this section must be reasonably calculated to
12 cover but not exceed the costs incurred by the department in administering ORS 431A.190 to
13 431A.216.

14 (7) All moneys collected under this section shall be deposited in the suspense account described
15 in ORS 431A.206.

16 (8) The department may not require a person that makes retail sales of tobacco products or
17 inhalant delivery systems to obtain a license under this section if the person holds a license or other
18 authorization issued by a city or local public health authority pursuant to ORS 431A.220.

19 **SECTION 841.** ORS 431A.210 is amended to read:

20 431A.210. The Oregon [*Health Authority*] **Department of Health** shall adopt by rule fees nec-
21 cessary to pay the expenses of administering and enforcing ORS 431A.175, 431A.183 and 431A.218.
22 Pursuant to an agreement entered into under ORS 431A.212, the Department of Revenue shall col-
23 lect the fee moneys for, and transfer the fee moneys to, the [*authority*] **Oregon Department of**
24 **Health**. Moneys transferred to the [*authority*] **department** under this section must be deposited in
25 the Oregon [*Health Authority*] **Department of Health** Fund established under ORS 413.101. Moneys
26 deposited in the fund under this section are continuously appropriated to the [*authority*] **department**
27 for the purposes of administering and enforcing ORS 431A.175, 431A.183 and 431A.218.

28 **SECTION 842.** ORS 431A.212 is amended to read:

29 431A.212. (1) The Department of Revenue and the Oregon [*Health Authority*] **Department of**
30 **Health** shall:

31 (a) Share information necessary for the effective administration of ORS 431A.175, 431A.183,
32 431A.190 to 431A.216 and 431A.218; and

33 (b) Enter into an agreement for purposes of collecting fee moneys for the [*authority*] **Oregon**
34 **Department of Health** pursuant to ORS 431A.210 from each retailer of tobacco products or
35 inhalant delivery systems at the same time that the Department **of Revenue** collects fee moneys
36 from the retailer under ORS 431A.198, and transferring the fee moneys collected pursuant to ORS
37 431A.210 to the [*authority*] **Oregon Department of Health** for deposit in the Oregon [*Health Au-*
38 *thority*] **Department of Health** Fund established under ORS 413.101.

39 (2) The Department **of Revenue** and each local public health authority that does not require
40 licensure or other authorization pursuant to ORS 431A.220 shall:

41 (a) Share information necessary for the effective administration of ORS 431A.190 to 431A.216
42 and 431A.218; and

43 (b) Enter into an agreement for purposes of collecting any fee moneys for the local public health
44 authority pursuant to ORS 431A.218 from each retailer of tobacco products or inhalant delivery
45 systems located within the area over which the local public health authority has jurisdiction at the

1 same time that the department collects fee moneys from the retailer under ORS 431A.198, and
 2 transferring the fee moneys collected pursuant to ORS 431A.218 to the local public health authority
 3 for deposit in a fund of the local public health authority.

4 (3) The department and each city or local public health authority that requires licensure or
 5 other authorization pursuant to ORS 431A.220 shall:

6 (a) Share information necessary for the effective administration of the licensure or other au-
 7 thorization pursuant to ORS 323.005 to 323.482, 323.500 to 323.645, 323.700 to 323.730 and 431A.220
 8 and any rules adopted under ORS 323.005 to 323.482, 323.500 to 323.645 or 323.700 to 323.730; and

9 (b) Enter into an agreement under which the city or local public health authority agrees to en-
 10 force standards described in ORS 431A.218 (2)(a) against persons licensed or otherwise authorized
 11 by the city or local public health authority under ORS 431A.220, including through revocation of the
 12 license or other authorization of a person that violates the standards or ORS 323.005 to 323.482,
 13 323.500 to 323.645 and 323.700 to 323.730 and any rules adopted under ORS 323.005 to 323.482,
 14 323.500 to 323.645 or 323.700 to 323.730.

15 (4) The Oregon [*Health Authority*] **Department of Health** and each local public health authority
 16 shall share information necessary for the effective administration of ORS 431A.175, 431A.183,
 17 431A.190 to 431A.216 and 431A.218.

18 (5) Notwithstanding the confidentiality provisions of ORS 323.403 and 323.595, the Department
 19 **of Revenue** may disclose information received under ORS 323.005 to 323.482 and 323.500 to 323.645
 20 to a city or local public health authority to the extent the department deems necessary.

21 **SECTION 843.** ORS 431A.214 is amended to read:

22 431A.214. (1) Amounts collected by the Department of Revenue pursuant to agreements entered
 23 into under ORS 431A.212 shall be paid to the State Treasurer to be held in a suspense account es-
 24 tablished under ORS 293.445.

25 (2) From moneys held in the suspense account, the department shall make transfers to the
 26 Oregon [*Health Authority*] **Department of Health** and local public health authorities as required
 27 by ORS 431A.212.

28 (3) Amounts necessary to make transfers as described in subsection (2) of this section are con-
 29 tinuously appropriated to the Department **of Revenue** from the suspense account.

30 **SECTION 844.** ORS 431A.218 is amended to read:

31 431A.218. (1) As used in this section:

32 (a) “Governing body of a local public health authority” has the meaning given that term in ORS
 33 431.003.

34 (b) “Inhalant delivery system” has the meaning given that term in ORS 431A.175.

35 (c) “Local public health authority” has the meaning given that term in ORS 431.003.

36 (d) “Tobacco products” has the meaning given that term in ORS 431A.175.

37 (2) Each local public health authority may:

38 (a) Enforce, pursuant to an ordinance enacted by the governing body of the local public health
 39 authority, standards for regulating the retail sale of tobacco products and inhalant delivery systems
 40 for purposes related to public health and safety in addition to the standards described in paragraph
 41 (b) of this subsection, including qualifications for engaging in the retail sale of tobacco products or
 42 inhalant delivery systems that are in addition to the qualifications described in ORS 431A.198;

43 (b)(A) Administer and enforce standards established by state law or rule relating to the regu-
 44 lation of the retail sale of tobacco products and inhalant delivery systems for purposes related to
 45 public health and safety if the local public health authority and the Oregon [*Health Authority*] **De-**

1 **partment of Health** enter into an agreement pursuant to ORS 190.110; or

2 (B) Perform the duties described in this section in accordance with ORS 431.413 (2) or (3); and

3 (c) Use outreach and educational services to provide businesses that engage in the retail sale
4 of tobacco products or inhalant delivery systems with information pertaining to local ordinances and
5 rules, state laws and rules and federal laws and regulations regulating the retail sale of tobacco
6 products and inhalant delivery systems.

7 (3)(a) A local public health authority may impose on businesses that engage in the retail sale
8 of tobacco products or inhalant delivery systems a fee for paying the expenses of activities described
9 in subsection (2) of this section. Pursuant to an agreement entered into under ORS 431A.212, the
10 Department of Revenue shall collect the fee moneys for, and transfer the fee moneys to, the local
11 public health authority. Moneys transferred to a local public health authority under this subsection
12 must be deposited in a fund of the local public health authority. Moneys deposited in a fund under
13 this subsection may only be spent by the local public health authority for the purposes of subsection
14 (2) of this section.

15 (b) The governing body of a local public health authority may, pursuant to ORS 431.415, estab-
16 lish a schedule for the fees described in paragraph (a) of this subsection.

17 (4) A local public health authority may impose a civil penalty not to exceed \$5,000 on a business
18 that engages in the retail sale of tobacco products or inhalant delivery systems for violating a
19 standard described in subsection (2) of this section. If a civil penalty is imposed under this section,
20 a civil penalty may not be imposed for the commission of the same act under ORS 431A.178 or
21 431A.216.

22 (5) The Oregon [*Health Authority*] **Department of Health** shall:

23 (a) Subject to ORS 431A.220, ensure that state standards established by state law and rule re-
24 garding the regulation of the retail sale of tobacco products and inhalant delivery systems are ad-
25 ministered and enforced consistently throughout this state;

26 (b) Establish a database or other mechanism for collecting information from local public health
27 authorities and the general public regarding the regulation of the retail sale of tobacco products and
28 inhalant delivery systems for purposes related to public health and safety, including any information
29 related to complaints about a person that makes retail sales of tobacco products or inhalant delivery
30 systems;

31 (c) Provide technical assistance to local public health authorities regarding the regulation of the
32 retail sale of tobacco products and inhalant delivery systems;

33 (d) Assess the effectiveness of state and local programs for regulating the retail sale of tobacco
34 products and inhalant delivery systems; and

35 (e) Adopt any rules necessary to implement or administer the provisions of this section.

36 (6)(a) A city or local public health authority may not adopt an ordinance that prohibits a
37 premises that makes retail sales of tobacco products or inhalant delivery systems from being located
38 at the same address as a pharmacy, as defined in ORS 689.005.

39 (b) A city or local public health authority that, on or before September 25, 2021, adopted an
40 ordinance described in paragraph (a) of this subsection may continue to enforce the ordinance on
41 and after September 25, 2021.

42 (7) Except as provided in ORS 431A.220, a city or local public health authority may not require
43 a person that makes retail sales of tobacco products or inhalant delivery systems to hold a license
44 or other authorization issued by the city or local public health authority in addition to the license
45 issued under ORS 431A.198.

1 **SECTION 845.** ORS 431A.255 is amended to read:

2 431A.255. (1) The Oregon [*Health Authority*] **Department of Health** shall establish and maintain
3 a list of high priority chemicals of concern for children's health when used in children's products.
4 The [*authority*] **department** shall include on the list chemicals that are listed on the Washington
5 State Department of Ecology's Reporting List of Chemicals of High Concern to Children on July 27,
6 2015.

7 (2) In establishing by rule the practical quantification limits for chemicals on the list, the [*au-*
8 *thority*] **Oregon Department of Health** shall consider guidance developed by the State of
9 Washington and other federal, state and nongovernmental organizations with the applicable exper-
10 tise.

11 (3) The [*authority*] **department** shall post the list of high priority chemicals on its website. For
12 each high priority chemical on the list, the [*authority*] **department** shall post:

13 (a) Information regarding the known health impacts associated with exposure to the chemical;
14 and

15 (b) Data collected under ORS 431A.258 in a format that is searchable and accessible to the
16 public.

17 (4) The [*authority*] **department** shall review and revise the list of high priority chemicals every
18 three years. In completing the revisions under this subsection, the [*authority*] **department**:

19 (a) May not add more than five chemicals to the list of high priority chemicals during each
20 three-year revision period under this subsection;

21 (b) Shall consider adding or removing a chemical from the list of high priority chemicals if, after
22 July 27, 2015, the chemical is added to or removed from the Washington State Department of
23 Ecology's Reporting List of Chemicals of High Concern to Children or a list maintained by another
24 state agency, another state or a federal agency that the [*authority*] **Oregon Department of Health**
25 has identified by rule as a list intended to identify high priority chemicals; and

26 (c) May remove a chemical from the list of high priority chemicals if the [*authority*] **department**
27 determines that the chemical is no longer being used in children's products.

28 (5) The [*authority*] **department** shall update the list of high priority chemicals on its website
29 within one year after the date on which a chemical is added to or removed from the list.

30 **SECTION 846.** ORS 431A.258 is amended to read:

31 431A.258. (1)(a) A manufacturer of a children's product sold or offered for sale in this state that
32 contains a chemical included on the list established and maintained under ORS 431A.255 in an
33 amount at or above a de minimis level shall provide a biennial notice as described in subsection (2)
34 of this section to the Oregon [*Health Authority*] **Department of Health** by January 1 of each ap-
35 plicable notice year.

36 (b) The first biennial notice required under this section shall be submitted to the [*authority*]
37 **department** by January 1 of the year following the year that the chemical contained in the
38 children's product sold or offered for sale in this state is added to the list.

39 (2) The notice required by subsection (1) of this section must contain:

40 (a) The name and Chemical Abstracts Service Registry Number of the chemical contained in the
41 children's product;

42 (b) The product category of the children's product that contains the chemical;

43 (c) A description of the function of the chemical in the children's product;

44 (d) The amount of the chemical used in each unit of the children's product reported as a range
45 rather than an exact amount;

1 (e) The name and address of the manufacturer, and the name, address and telephone number of
2 a contact person for the manufacturer; and

3 (f) Any other information that the manufacturer deems relevant to the appropriate use of the
4 children's product.

5 (3)(a) The [authority] **department** may enter into reciprocal data sharing agreements with other
6 states in which manufacturers of children's products are required to disclose information related to
7 high priority chemicals of concern for children's health used in children's products. The [authority]
8 **department** must use the GS1 Global Product Classification system to identify and specify product
9 categories subject to the data sharing agreements. If the [authority] **department** has entered into
10 a data sharing agreement with another state, and a manufacturer has reported the information re-
11 quired in the notice described in subsection (2) of this section to that state, the manufacturer may
12 request that the other state provide the [authority] **department** with the information in lieu of the
13 manufacturer's direct reporting of the information to the [authority] **department**.

14 (b) A manufacturer fulfills the notice requirement of subsection (1) of this section when the
15 [authority] **department** receives the information from the other state and the [authority] **depart-**
16 **ment** determines that the information received satisfies the requirements for the notice specified in
17 subsection (2) of this section.

18 (4) In lieu of the manufacturer's providing notice to the [authority] **department** under subsection
19 (1) or (3) of this section, the [authority] **department** may require that the notice described in sub-
20 section (2) of this section be submitted to the Interstate Chemicals Clearinghouse. The [authority]
21 **department** by rule shall specify procedures for the provision of such notice by manufacturers to
22 the Interstate Chemicals Clearinghouse.

23 (5)(a) The [authority] **department** shall grant an exemption to a manufacturer of children's
24 products that applies for an exemption from the notice requirements of this section if the application
25 demonstrates that:

26 (A) The high priority chemical of concern for children's health used in children's products is
27 present in the children's product otherwise subject to the notice requirements of this section only
28 as a contaminant;

29 (B) The manufacturer conducts a manufacturing control program for the contaminant; and

30 (C) The manufacturing control program meets minimum standards for a manufacturing control
31 program as set forth by the [authority] **department** by rule.

32 (b) The [authority] **department** shall approve or disapprove an exemption application within 180
33 days after its submittal. If the [authority] **department** fails to act within 180 days, the exemption
34 application is deemed approved. If the [authority] **department** disapproves an exemption application,
35 the manufacturer may submit a revised exemption application for consideration within 180 days after
36 the [authority's] **department's** disapproval.

37 (6) A trade association may provide required notices on behalf of its member manufacturers
38 under the provisions of this section.

39 (7) When a manufacturer provides notice to the [authority] **department** under the provisions of
40 this section, the manufacturer may submit recommendations to the [authority] **department** regarding
41 technical, financial or logistical support deemed necessary for innovation and green chemistry sol-
42 utions related to high priority chemicals of concern for children's health used in children's products.

43 **SECTION 847.** ORS 431A.260 is amended to read:

44 431A.260. (1) On or before the date on which a manufacturer of a children's product submits the
45 third biennial notice required under ORS 431A.258 for a chemical that is present in a children's

1 product, the manufacturer must remove or make a substitution for the chemical pursuant to ORS
 2 431A.263, or seek a waiver under ORS 431A.265, if the chemical is present in a children's product
 3 that is:

4 (a) Mouthable;

5 (b) A children's cosmetic; or

6 (c) Made for, marketed for use by or marketed to children under three years of age.

7 (2) A manufacturer with 25 or fewer employees may apply for a two-year extension of the date
 8 specified in subsection (1) of this section to meet the requirements of this section.

9 (3) Manufacturers are exempt from meeting the requirements of this section for children's pro-
 10 ducts described in subsection (1) of this section that contain high priority chemicals of concern for
 11 children's health used in children's products at levels that are at or below allowable levels for
 12 children's products as established by the Consumer Product Safety Improvement Act of 2008, P.L.
 13 110-314, 122 Stat. 3016, as in effect on July 27, 2015.

14 (4)(a) The Oregon [*Health Authority*] **Department of Health** shall adopt rules providing for ad-
 15 ditional exemptions from the requirements of this section.

16 (b) For purposes of this subsection, any consumer product safety standard adopted under federal
 17 law that establishes allowable levels for children's products of a high priority chemical of concern
 18 for children's health used in children's products is presumed to establish the maximum allowable
 19 level of the chemical that may be used in children's products that are sold or offered for sale in this
 20 state. The [*authority*] **department** may not require a manufacturer in compliance with the federal
 21 standard to also comply with the provisions of this section unless the [*authority*] **department** es-
 22 tablishes in the rulemaking process that a lower maximum allowable level for children's products
 23 of a high priority chemical of concern for children's health used in children's products than the al-
 24 lowable level set by the federal standard is necessary to protect human health and welfare.

25 **SECTION 848.** ORS 431A.263 is amended to read:

26 431A.263. (1)(a) When a manufacturer of children's products sold or offered for sale in this state
 27 removes a high priority chemical of concern for children's health used in children's products from
 28 a children's product sold or offered for sale in this state that is subject to ORS 431A.258 and sub-
 29 stitutes another chemical, the manufacturer must submit a hazard assessment to the Oregon [*Health*
 30 *Authority*] **Department of Health** that explains how the children's product, and any substitute
 31 chemical the children's product contains, is inherently less hazardous than before the substitution
 32 was made.

33 (b) When a manufacturer of children's products sold or offered for sale in this state removes a
 34 high priority chemical of concern for children's health used in children's products from a children's
 35 product as described in subsection (1) of this section and does not substitute another chemical, the
 36 manufacturer must submit notice to the [*authority*] **department** that the manufacturer is no longer
 37 using the chemical or a substitute chemical.

38 (2) The [*authority*] **department** shall establish by rule the methodology that a manufacturer
 39 must use and the standards that a children's product must meet in order to comply with the hazard
 40 assessment requirements described in subsection (1)(a) of this section.

41 (3) The [*authority*] **department** shall approve or disapprove a hazard assessment within 180 days
 42 after its submittal. If the [*authority*] **department** fails to act within 180 days, the hazard assessment
 43 is deemed approved, and the manufacturer may continue to sell or offer for sale in this state the
 44 children's product for which the manufacturer submitted a hazard assessment. If the [*authority*] **de-**
 45 **partment** disapproves a hazard assessment, the manufacturer may submit a revised hazard assess-

1 ment for consideration within 180 days after the [authority's] **department's** disapproval.

2 **SECTION 849.** ORS 431A.265 is amended to read:

3 431A.265. (1) The Oregon [Health Authority] **Department of Health** shall grant a waiver to a
4 manufacturer of children's products that applies for a waiver in order to comply with ORS 431A.260
5 if the application:

6 (a) Includes an alternatives assessment demonstrating that removal of the high priority chemical
7 of concern for children's health used in children's products is not financially or technically feasible;
8 or

9 (b) Includes a quantitative exposure assessment demonstrating that the high priority chemical
10 of concern for children's health used in children's products is not reasonably anticipated to result
11 in exposure based upon an analysis of leachability and bioavailability of the high priority chemical
12 of concern for children's health used in children's products.

13 (2) An alternatives assessment or quantitative exposure assessment submitted under subsection
14 (1) of this section must be conducted in a manner consistent with the guidance and frameworks for
15 such assessments in effect on July 27, 2015, and as established by the United States Environmental
16 Protection Agency, the Interstate Chemicals Clearinghouse, the State of California, as part of that
17 state's program for reducing toxic chemicals in consumer products, or other states or nongovern-
18 mental organizations with the applicable expertise, or as developed by the [authority] **department**
19 by rule. The [authority] **department** may recommend or require that a manufacturer follow partic-
20 ular guidance or frameworks in order to meet the requirements of this section.

21 (3) If the [authority] **department** determines that an alternatives assessment or a quantitative
22 exposure assessment as described in this section is incomplete, the [authority] **department** may ob-
23 tain the assessment from another party. The manufacturer that submitted the assessment that was
24 determined to be incomplete must pay for the assessment performed by the other party.

25 (4) The [authority] **department** shall approve or disapprove a waiver application within 180 days
26 after its submittal. If the [authority] **department** fails to act within 180 days, the waiver application
27 is deemed approved, and the manufacturer may continue to sell or offer for sale in this state the
28 children's product for which the manufacturer submitted a waiver application. If the [authority] **de-**
29 **partment** disapproves a waiver application, the manufacturer may submit a revised waiver appli-
30 cation for consideration within 180 days after the [authority's] **department's** disapproval.

31 **SECTION 850.** ORS 431A.270 is amended to read:

32 431A.270. (1) The Oregon [Health Authority] **Department of Health** may conduct testing of
33 children's products sold or offered for sale in this state in order to determine compliance with ORS
34 431A.258, 431A.260 and 431A.263.

35 (2) The [authority] **department** may establish by rule a schedule of fees for manufacturers of
36 children's products that are based on the costs to the [authority] **department** for administering ORS
37 431A.253 to 431A.280. Fees collected by the [authority] **department** under this subsection shall be
38 deposited in the High Priority Chemicals of Concern for Children's Health Fund established under
39 ORS 431A.278.

40 **SECTION 851.** ORS 431A.273 is amended to read:

41 431A.273. The Oregon [Health Authority] **Department of Health** is authorized to participate in
42 the Interstate Chemicals Clearinghouse in cooperation with other states and government entities to
43 assist the [authority] **department** in carrying out ORS 431A.253 to 431A.280.

44 **SECTION 852.** ORS 431A.275 is amended to read:

45 431A.275. (1) Except as provided in subsection (5) of this section, the Oregon [Health

1 *Authority*] **Department of Health** may impose a civil penalty on a manufacturer of children's pro-
2 ducts for a violation of any provision of ORS 431A.258, 431A.260 or 431A.263.

3 (2) For purposes of assessing civil penalties under this section, a violation consists of a single
4 course of conduct with regard to an entire children's product line that is sold or offered for sale in
5 this state.

6 (3) The [*authority*] **department** shall adopt by rule a schedule of civil penalties for violations
7 of ORS 431A.258, 431A.260 and 431A.263. A civil penalty may not exceed \$5,000 for the first vio-
8 lation. A civil penalty may not exceed \$10,000 for the second and each subsequent violation.

9 (4) In imposing a penalty under subsection (1) or (5) of this section, the [*authority*] **department**
10 shall consider the following factors:

11 (a) The past history of the manufacturer incurring a penalty in taking all feasible steps or fol-
12 lowing all feasible procedures necessary or appropriate to correct any violation.

13 (b) Any prior violations of statutes, rules, orders or permits pertaining to high priority chemicals
14 of concern for children's health used in children's products.

15 (c) The gravity and magnitude of the violation.

16 (d) Whether the violation was a sole event, repeated or continuous.

17 (e) Whether the violation was a result of an unavoidable accident, negligence or an intentional
18 act.

19 (f) The violator's cooperativeness and efforts to correct the violation.

20 (g) The economic and financial conditions of the manufacturer incurring a penalty.

21 (h) If a manufacturer asserts that a high priority chemical of concern for children's health used
22 in children's products is present in a children's product only as a contaminant, evidence that the
23 manufacturer conducted a manufacturing control program for the contaminant that meets or exceeds
24 the minimum requirements for a manufacturing control program adopted by rule by the [*authority*]
25 **department** under ORS 431A.258 (5) and exercised due diligence.

26 (5)(a) If a manufacturer violates the notice requirement described in ORS 431A.258 or 431A.263,
27 the [*authority*] **department** shall provide the manufacturer with written notice informing the man-
28 ufacturer of the violation and stating that the manufacturer may avoid a civil penalty for the vio-
29 lation by providing the proper notice required under ORS 431A.258 or 431A.263 within 90 days.

30 (b) If the manufacturer fails to cure the violation within 90 days, the [*authority*] **department**
31 may impose a civil penalty not to exceed \$2,500. For a continuing violation, each 90-day period that
32 the violation continues after the preceding imposition of a civil penalty is a separate offense subject
33 to a separate civil penalty not to exceed \$5,000. The [*authority*] **department** is not required to
34 provide the manufacturer with an opportunity to cure the continuing violation before imposing a
35 civil penalty for the continuing violation.

36 (6) If the [*authority*] **department** has reason to believe that a children's product that contains
37 a high priority chemical of concern for children's health used in children's products is being sold
38 or offered for sale in this state in violation of ORS 431A.258, 431A.260 or 431A.263, the [*authority*]
39 **department** may request that the manufacturer provide a statement of compliance on a form pro-
40 vided by the [*authority*] **department**. The manufacturer must submit the statement of compliance
41 within 10 days after receipt of a request. To prove compliance with ORS 431A.258, 431A.260 and
42 431A.263, the manufacturer must:

43 (a) Show that the children's product does not contain the high priority chemical of concern for
44 children's health used in children's products;

45 (b) Show that the manufacturer has previously provided the [*authority*] **department** with notice

1 as required by ORS 431A.258;

2 (c) Provide the [authority] **department** with notice as required by ORS 431A.258; or

3 (d) Provide the [authority] **department** with documentation that the manufacturer has previ-
4 ously complied with ORS 431A.263.

5 (7) Civil penalties described in this section shall be imposed in the manner provided in ORS
6 183.745.

7 (8) All civil penalties recovered under this section shall be paid into the High Priority Chemicals
8 of Concern for Children's Health Fund established under ORS 431A.278.

9 **SECTION 853.** ORS 431A.278 is amended to read:

10 431A.278. (1) The High Priority Chemicals of Concern for Children's Health Fund is established
11 in the State Treasury, separate and distinct from the General Fund. Interest earned by the High
12 Priority Chemicals of Concern for Children's Health Fund shall be credited to the fund. Moneys in
13 the fund are continuously appropriated to the Oregon [Health Authority] **Department of Health** to
14 administer ORS 431A.253 to 431A.280.

15 (2) The [authority] **department** may accept gifts, grants or contributions from any public or
16 private source for the purpose of carrying out ORS 431A.253 to 431A.280.

17 (3) The High Priority Chemicals of Concern for Children's Health Fund shall consist of:

18 (a) Moneys accepted by the [authority] **department** pursuant to subsection (2) of this section.

19 (b) Payments and fees collected under ORS 431A.265 and 431A.270.

20 (c) Civil penalties imposed under ORS 431A.275.

21 **SECTION 854.** ORS 431A.280 is amended to read:

22 431A.280. The Oregon [Health Authority] **Department of Health** shall report to the interim
23 committees of the Legislative Assembly related to environment and natural resources and public
24 health no later than September 15 of each odd-numbered year. The report shall include the following
25 information:

26 (1) Any revisions made under ORS 431A.255 to the list of high priority chemicals of concern for
27 children's health used in children's products.

28 (2) The number of manufacturers of children's products in compliance with ORS 431A.258 and
29 an analysis of the information collected pursuant to ORS 431A.258 specifying:

30 (a) The number and types of children's products sold or offered for sale in this state that contain
31 high priority chemicals of concern for children's health used in children's products.

32 (b) The range of amounts of high priority chemicals of concern for children's health used in
33 children's products, by product category, and the total number of and most frequently disclosed high
34 priority chemicals of concern for children's health used in children's products.

35 (c) The potential for exposure to high priority chemicals of concern for children's health used
36 in children's products based on the number of children's products sold or offered for sale in this
37 state that contain chemicals on the list established under ORS 431A.255, likely exposure routes and
38 the typical use patterns for the children's products that contain chemicals on the list established
39 under ORS 431A.255.

40 (d) Recommendations to limit, reduce or prevent exposure to high priority chemicals of concern
41 for children's health used in children's products based on an analysis of the information collected.

42 (3)(a) Details about the implementation of ORS 431A.263 and 431A.265 regarding hazard assess-
43 ments and waivers. In cases where the [authority] **department** grants waivers for the continued use
44 of high priority chemicals of concern for children's health used in children's products and the waiver
45 application includes an alternatives assessment, the [authority] **department** may develop recom-

1 mendations on opportunities to provide technical assistance, provide grants and promote public-
 2 private partnerships and other actions to encourage manufacturers to produce children’s products
 3 through green chemistry and that do not contain high priority chemicals of concern for children’s
 4 health used in children’s products.

5 (b) In developing the recommendations described in paragraph (a) of this subsection, the [*au-*
 6 *thority*] **department** may consult with the Department of Environmental Quality, the Oregon Busi-
 7 ness Development Department and other state agencies.

8 (4) A summary of compliance testing results obtained under ORS 431A.270.

9 (5) Any recommendations submitted to the [*authority*] **Oregon Department of Health** by man-
 10 ufacturers under ORS 431A.258 (7).

11 **SECTION 855.** ORS 431A.313 is amended to read:

12 431A.313. (1) The Poison Prevention Task Force is created in the Poison Center of the Oregon
 13 Health and Science University and consists of five members as follows:

14 (a) The Medical Director of the Oregon Poison Center or designee, who shall serve as chair-
 15 person.

16 (b) The Director of the Oregon [*Health Authority*] **Department of Health** or a designee.

17 (c) A pediatrician licensed under ORS chapter 677, appointed by the Governor.

18 (d) A chemist from an academic institution, appointed by the Governor.

19 (e) A representative of a manufacturer of toxic household products, appointed by the Governor.

20 (2) Each member shall serve without compensation.

21 (3) The task force shall meet as considered necessary by the chairperson or on the call of three
 22 members of the task force.

23 (4) The task force shall meet for the purposes of reviewing, granting or denying requests for
 24 exemptions from and extensions of the requirements of ORS 431A.300 to 431A.325.

25 (5) The task force shall obtain and evaluate statewide poisoning incidence and severity data
 26 over a period of every two years for the purpose of making recommendations for the addition or
 27 deletion of products to ORS 431A.308.

28 **SECTION 856.** ORS 431A.325 is amended to read:

29 431A.325. (1) Any person who violates any provision of ORS 431A.300 to 431A.325 shall be liable
 30 for a civil penalty not to exceed \$5,000 for each day of violation, which shall be assessed and re-
 31 covered in a civil action brought by the Oregon [*Health Authority*] **Department of Health**.

32 (2) All civil penalties collected pursuant to subsection (1) of this section shall be deposited in
 33 the General Fund.

34 **SECTION 857.** ORS 431A.353 is amended to read:

35 431A.353. As used in ORS 431A.355 and 431A.358:

36 (1) “Certified” and “certification” means an action by the Oregon [*Health Authority*] **Depart-**
 37 **ment of Health** verifying the successful completion of a training program accredited by the [*au-*
 38 *thority*] **department** and any other requirements.

39 (2) “Firm” has the meaning given that term in 40 C.F.R. 745.83 and as further defined pursuant
 40 to the authorities described in ORS 431A.350.

41 (3) “Lead-based paint” has the meaning given that term in P.L. 102-550, section 1004, and as
 42 further defined pursuant to the authorities described in ORS 431A.350.

43 (4) “Lead-based paint activities” has the meaning given that term in 40 C.F.R. 745.223 and as
 44 further defined pursuant to the authorities described in ORS 431A.350.

45 (5) “Renovation” has the meaning given that term in 40 C.F.R. 745.83 and as further defined

1 pursuant to the authorities described in ORS 431A.350.

2 **SECTION 858.** ORS 431A.355 is amended to read:

3 431A.355. (1) The Oregon [*Health Authority*] **Department of Health** shall:

4 (a) Certify firms and individuals to perform lead-based paint activities;

5 (b) Certify firms to perform renovation;

6 (c) Accredit training providers to provide lead-based paint activities and renovation training;

7 (d) Develop and approve training programs for lead-based paint activities and renovation;

8 (e) Establish standards based on best practices for the conduct of lead-based paint inspections,
9 risk assessment and hazard control or abatement services, renovation activities that disturb lead-
10 based paint and the disposal of lead-based paint that are in addition to, not inconsistent with and
11 not in lieu of any other workplace standards required by law;

12 (f) Develop and conduct programs to screen blood lead levels, identify hazards and educate the
13 public, including but not limited to parents, residential dwelling owners, pediatric medical providers
14 and child care facility operators, about the dangers of lead-based paint and about appropriate pre-
15 cautions that may reduce the probability of childhood lead poisoning;

16 (g) Adopt rules necessary to implement the provisions of this section and ORS 431A.358 and
17 431A.363; and

18 (h) Establish fees sufficient to recover the costs of implementing the provisions of this section
19 and ORS 431A.358 and 431A.363, including but not limited to fees for:

20 (A) Certification and recertification to perform lead-based paint activities and renovation; and

21 (B) Accreditation and reaccreditation of lead-based paint training providers.

22 (2) The [*authority*] **department** may contract with a third party to obtain a lead-based paint risk
23 assessment or to abate or control lead-based paint hazards that are identified by a risk assessment.

24 (3) The [*authority*] **department** may:

25 (a) Enter private or public property at any reasonable time with consent of the owner or
26 custodian of the property to inspect, investigate, evaluate or conduct tests or take specimens or
27 samples for testing, as necessary to determine compliance with this section and ORS 431A.358;

28 (b) Issue subpoenas to determine compliance with this section and ORS 431A.358;

29 (c) Suspend, revoke or modify a certification to perform lead-based paint activities or renovation
30 if the holder of the certification fails to comply with state or federal statutes or regulations related
31 to lead-based paint; and

32 (d) Suspend, revoke or modify a certified renovator's certification if the renovator fails to com-
33 ply with state or federal statutes or regulations related to lead-based paint.

34 (4) A person for whom a third party performs lead-based paint activities or renovation, or who
35 compensates a third party to perform lead-based paint activities or renovation, shall identify the
36 third party to the [*authority*] **department** upon request.

37 **SECTION 859.** ORS 431A.360 is amended to read:

38 431A.360. (1) The Oregon [*Health Authority*] **Department of Health** shall develop and maintain
39 a lead poisoning prevention clearinghouse on its website for public and private schools that provide
40 instruction at levels kindergarten through grade 12 in order to provide these schools with informa-
41 tion about:

42 (a) The dangers to students posed by the exposure to lead; and

43 (b) How to best protect students from the hazards posed by lead-based paint.

44 (2) In order to provide the information described in subsection (1) of this section, the clearing-
45 house must include:

- 1 (a) Information about the adverse health effects from exposure to lead;
- 2 (b) Information about the common sources of exposure to lead;
- 3 (c) Tips regarding how to recognize hazards posed by lead-based paint;
- 4 (d) Information about how to safely paint, or renovate, a school and thereby prevent exposure
- 5 to lead;
- 6 (e) A list of this state's laws and rules relating to lead-based paint;
- 7 (f) Tips about how to comply with this state's laws and rules relating to lead-based paint;
- 8 (g) Information about how to maintain a school and keep it safe from the dangers posed by
- 9 lead-based paint; and
- 10 (h) Resources and education materials concerning how to prevent students from being exposed
- 11 to lead-based paint.

12 **SECTION 860.** ORS 431A.363 is amended to read:

13 431A.363. (1) The Oregon [*Health Authority*] **Department of Health** may impose a civil penalty

14 of not more than \$5,000 per violation per day on any person who violates:

- 15 (a) ORS 431A.358;
- 16 (b) A rule adopted under ORS 431A.355; or
- 17 (c) An order issued by the [*authority*] **department** pursuant to this section or ORS 431A.355 or
- 18 431A.358.

19 (2)(a) If the [*authority*] **department** has reason to believe that a person is engaging in an act

20 or practice that violates ORS 431A.358 or a rule adopted under ORS 431A.355, the [*authority*] **de-**

21 **partment** may order that all lead-based paint activities or renovation to which the person is con-

22 nected stop immediately.

23 (b) A request for a hearing on the propriety of the order must be submitted to the [*authority*]

24 **department** in writing within 10 days of the date on which the order was served. The [*authority*]

25 **department** shall grant a hearing as soon as practicable after receipt of the hearing request, and

26 shall conduct the hearing as provided for contested cases under ORS chapter 183.

27 (3)(a) The [*authority*] **department** may issue an order to require the actions described in para-

28 graph (b) of this subsection to:

- 29 (A) A person who has violated ORS 431A.358 or a rule adopted under ORS 431A.355; or
- 30 (B) A property owner, or agent of the property owner, who knowingly contracted with a person
- 31 who was not certified under ORS 431A.355 to perform lead-based paint activities or renovation when
- 32 certification was required under ORS 431A.358.

33 (b) An order issued under this subsection may require the recipient of the order to, as soon as

34 reasonably practical:

35 (A) Obtain a risk assessment in accordance with ORS 431A.355 or 431A.358 and rules adopted

36 under ORS 431A.355 or 431A.358; and

37 (B) Abate or control any lead-based paint hazards identified by the risk assessment. All lead-

38 based paint abatement and hazard control services must be performed in accordance with ORS

39 431A.355 and 431A.358 and rules adopted under ORS 431A.355 and 431A.358.

40 (c) A request for a hearing on the propriety of the order must be submitted to the [*authority*]

41 **department** in writing within 10 days of the date on which the order was served. The [*authority*]

42 **department** shall grant a hearing as soon as practicable after receipt of the hearing request, and

43 shall conduct the hearing as provided for contested cases under ORS chapter 183.

44 (4) If a person described in subsection (3) of this section fails to timely comply with an order

45 issued under subsection (3) of this section, the [*authority*] **department** may take any necessary

1 action to obtain a risk assessment or abate or control any lead-based paint hazards identified by a
2 risk assessment.

3 (5) In addition to the civil penalty described in subsection (1) of this section, the [authority]
4 **department** may impose on a person who fails to timely comply with an order issued pursuant to
5 subsection (3) of this section costs in an amount sufficient to cover any expenses incurred by the
6 [authority] **department** in obtaining a risk assessment and abating or controlling any hazards, as
7 described in subsection (3) of this section. Costs imposed under this section must be imposed in
8 compliance with ORS 431A.365.

9 (6) A person who fails to identify a third party as described in ORS 431A.355 is liable jointly
10 and severally for any violation by the third party of ORS 431A.358 or a rule adopted under ORS
11 431A.355.

12 (7) All moneys collected by the [authority] **department** under this section and ORS 431A.365
13 shall be deposited into the Public Health Account established under ORS 431.210. Moneys deposited
14 under this section shall be used for the purposes of lead poisoning prevention, including consumer
15 and industry outreach, public education, blood lead screening, lead-based paint risk assessments,
16 lead-based paint hazard abatement and control activities and other similar activities.

17 (8) Civil penalties under this section shall be imposed as provided in ORS 183.745.

18 (9) A civil penalty imposed under this section is in addition to, and not in lieu of, any other
19 penalty or sanction provided by law.

20 (10) The [authority] **department** shall report all civil penalties and sanctions imposed under this
21 section or a rule adopted under ORS 431A.355 to each of the following state agencies:

22 (a) The Construction Contractors Board;

23 (b) The Occupational Safety and Health Division of the Department of Consumer and Business
24 Services; and

25 (c) The Department of Environmental Quality.

26 **SECTION 861.** ORS 431A.365 is amended to read:

27 431A.365. (1) Costs imposed by the Oregon [Health Authority] **Department of Health** pursuant
28 to ORS 431A.363 are due and payable 10 days after the order imposing the costs becomes final. A
29 person against whom costs are imposed must be served with a notice in the manner provided in ORS
30 183.415.

31 (2)(a) The person served under subsection (1) of this section may, within 20 days of the date of
32 the notice, make a written request for a hearing.

33 (b) The [authority] **department** may by rule provide for a longer period of time in which a
34 hearing may be requested.

35 (c) If a hearing is not timely requested, the [authority] **department** may issue a final order im-
36 posing costs.

37 (3) A person who makes a timely request for a hearing under subsection (2) of this section is
38 entitled to a hearing. The hearing must be conducted as a contested case hearing pursuant to ORS
39 chapter 183.

40 (4) Judicial review of an order made after a hearing described in subsection (3) of this section
41 shall comply with the requirements for judicial review of a contested case under ORS chapter 183.

42 (5) When an order imposing costs under this section becomes final, and the amount of costs is
43 not paid within 10 days after the date on which the order becomes final, the order may be recorded
44 with the county clerk in any county in this state. The clerk shall record the name of the person
45 incurring the costs and the amount of costs in the County Clerk Lien Record. In addition to any

1 other remedy provided by law, recording an order in the County Clerk Lien Record has the effect
 2 provided for in ORS 205.125 and 205.126 and the order may be enforced as provided for in ORS
 3 205.125 and 205.126.

4 (6) The notice described in this section may be made part of any other notice served by the
 5 [authority] **department** pursuant to ORS 183.415.

6 (7)(a) Costs in an amount sufficient to cover expenses incurred by the [authority] **department**
 7 under ORS 431A.363 shall constitute a lien upon any real and personal property owned by a person
 8 who fails to timely comply with an order issued under this section.

9 (b) At any time after a person fails to comply with an order issued under this section, the [au-
 10 thority] **department** may file a claim of lien on real property to be charged with a lien under this
 11 subsection with the recording officer of each county in which the real property is located, and a
 12 claim of lien on personal property to be charged with a lien under this section with the Secretary
 13 of State.

14 (c) A lien filed under this section shall attach and become enforceable on the date of the filing.
 15 The lien claim must contain:

16 (A) A statement of the demand;

17 (B) The name of the person against whose property the lien attaches;

18 (C) A description of the property charged with the lien sufficient for identification; and

19 (D) A statement of the failure of the person to perform the risk assessment, hazard abatement
 20 or hazard control as required.

21 (d) A lien created by this section may be foreclosed by a suit on real and personal property in
 22 the circuit court in the manner provided by law for the foreclosure of other liens. In an action to
 23 foreclose on a lien under this section in which the [authority] **department** prevails, the court, at
 24 trial and on appeal, shall allow and fix a reasonable amount for attorney fees for prosecution of the
 25 action, if the court finds that a written demand for payment of the claim was made on the defendant
 26 not less than 20 days before the commencement of the action.

27 (8) This section does not affect the ability of the [authority] **department** to bring other actions
 28 to recover costs described in ORS 431A.363, or as otherwise authorized by law.

29 **SECTION 862.** ORS 431A.400, as amended by section 33, chapter 86, Oregon Laws 2022, is
 30 amended to read:

31 431A.400. (1) As used in this section:

32 (a) “Eligible entity” means a:

33 (A) Local government as defined in ORS 174.116;

34 (B) Local housing authority;

35 (C) Nonprofit organization;

36 (D) Federally recognized Indian tribe in Oregon;

37 (E) Indian health center;

38 (F) Coordinated care organization as defined in ORS 414.025;

39 (G) Community action agency as described in ORS 458.505;

40 (H) Manufactured dwelling park nonprofit cooperative as defined in ORS 62.803;

41 (I) An electric utility as defined in ORS 757.600; or

42 (J) A natural gas utility as defined in ORS 757.392.

43 (b) “Environmental justice factor” means a circumstance or condition that impacts a
 44 community’s ability to achieve a balance of health, economic or environmental benefits and burdens
 45 or that impacts a community’s ability to participate in public processes.

1 (c) “Grant program recipient” means an eligible entity that has been awarded a grant from the
2 Oregon [*Health Authority*] **Department of Health** under this section.

3 (d) “Landlord” means a landlord, as defined in ORS 90.100, that meets eligibility criteria for a
4 loan, grant or other financial assistance under the Healthy Homes Program as determined by the
5 [*authority*] **department**.

6 (e) “Low income household” means a household having an income equal to or below 80 percent
7 of the area median family income as determined by the [*authority*] **department**.

8 (f) “Nonprofit organization” means an organization or group of organizations that is described
9 in section 501(c)(3) of the Internal Revenue Code and is exempt from income tax under section 501(a)
10 of the Internal Revenue Code.

11 (g) “Repair and rehabilitation” includes actions that:

12 (A) Maximize energy efficiency of residences;

13 (B) Extend the usable life of residences; or

14 (C) Improve the health and safety of the occupants of residences, including:

15 (i) Radon abatement;

16 (ii) Lead abatement;

17 (iii) Mold and mildew abatement;

18 (iv) Installation of a smoke filtration system, an air purification system or ventilation or re-
19 duction of pathways for air infiltration;

20 (v) Removal of asthma or allergen triggers;

21 (vi) Structural or safety improvements that increase accessibility or visitability;

22 (vii) Improvements that make homes more fire resistant;

23 (viii) Structural or safety improvements that promote seismic resiliency;

24 (ix) Improvements that reduce the reflection of heat on or around the home, including improve-
25 ments related to trees, vegetation, green roofs or cool roofs; and

26 (x) Electrical upgrades that improve the safety of the home or support or enable the use of en-
27 ergy efficiency upgrades such as heating or cooling devices.

28 (h) “Residence” means a dwelling that is intended for occupation by a single family and is oc-
29 cupied by one or more individuals who are members of a low income household as the individuals’
30 principal residence, including a site-built home, manufactured home, residential trailer, mobile home,
31 condominium unit or unit within multifamily housing.

32 (i) “Smoke filtration system” means a residential air filtration system that meets minimum effi-
33 ciency standards, as determined by the [*authority*] **department**, for the removal of particulates and
34 other harmful substances generated by wildfires.

35 (2) The Healthy Homes Program is established within the Oregon [*Health Authority*] **Depart-**
36 **ment of Health**. The purpose of the program is to provide grants to eligible entities that provide
37 financial assistance to persons in low income households to repair and rehabilitate their residences
38 and to landlords to repair and rehabilitate dwelling units inhabited by low income households.

39 (3) To be eligible to receive grants from the Healthy Homes Program, an eligible entity must
40 establish that it:

41 (a) Serves or represents:

42 (A) Communities with high concentrations of low income households; or

43 (B) Communities impacted by environmental justice factors, including but not limited to:

44 (i) Areas with above-average concentrations of historically disadvantaged households or resi-
45 dents with low levels of educational attainment, areas with high unemployment, high linguistic iso-

1 lation, low levels of homeownership or high rent burden or sensitive populations;

2 (ii) Areas disproportionately affected by environmental pollution and other hazards that can lead
3 to negative public health effects, exposure or environmental degradation; or

4 (iii) Other environmental justice factors as determined by the [authority] **department**.

5 (b) Has the capacity to administer grant funds received under this section.

6 (c) Is able to comply with the requirements of all state and federal laws, rules and regulations.

7 (4)(a) The [authority] **department** shall adopt by rule processes for eligible entities to apply to
8 receive grants from the Healthy Homes Program. The processes may include a request for proposals.

9 (b) The [authority] **department** may adopt by rule:

10 (A) Standards for repair and rehabilitation activities conducted by low-income households;

11 (B) Standards for repair and rehabilitation activities conducted by landlords;

12 (C) Additional requirements for landlords who receive program funds; and

13 (D) Provisions for the allocation of program funds including but not limited to allocations for
14 types of eligible entities, types of recipients, types of housing and regions of this state.

15 (c) The [authority] **department**, in consultation with the Governor's Policy Advisor for Eco-
16 nomic and Business Equity, may establish by rule standards for the work performed using grants
17 from the program to be performed by disadvantaged business enterprises, minority-owned businesses,
18 woman-owned businesses or businesses that service-disabled veterans own, as those terms are de-
19 fined in ORS 200.005.

20 (5) Upon being awarded a grant under this section, the grant program recipient shall enter into
21 an agreement with the [authority] **department** that contains provisions that:

22 (a) Indicate the purposes for which the grant funds may be used;

23 (b) Prohibit the grant program recipient from using more than 15 percent of grant funds for
24 administrative expenses and program delivery costs;

25 (c) Include the repayment provisions set forth in subsection (6) of this section;

26 (d) Permit the [authority] **department** to conduct audits and investigations of the grant program
27 recipient regarding the purposes for which grant funds have been used; and

28 (e) Require the grant program recipient to provide reports as set forth in subsection (7) of this
29 section.

30 (6) A grant program recipient must repay to the [authority] **department**, in whole or in part,
31 grant funds received under this section to the extent that:

32 (a) The grant program recipient does not use the grant funds in accordance with the provisions
33 of the grant agreement executed between the [authority] **department** and the grant program recip-
34 ient under subsection (5) of this section; or

35 (b) The Director of the Oregon [Health Authority] **Department of Health** determines that the
36 grant program recipient must repay all or part of the grant funds on grounds of misappropriation,
37 fraud or similar reasons after auditing or investigating the grant program recipient's operations and
38 conducting a contested case hearing under ORS 183.413 to 183.470.

39 (7) A grant program recipient shall report to the [authority] **department** by June 30 of each
40 year concerning the status and use of grant funds received under this section. The report required
41 under this section may not disclose the personal information of the recipients of loans, grants or
42 other financial assistance under the Healthy Homes Program. The report must include:

43 (a) A detailed description of the grant program recipient's use of grant funds;

44 (b) A list of each loan, grant or other financial assistance that the grant program recipient has
45 provided and, where applicable, a full accounting of the repayment status of the loans;

1 (c) The number of low income households that the grant program recipient has provided finan-
2 cial assistance to for the repair and rehabilitation of their residences;

3 (d) The number of landlords that the grant program recipient has provided financial assistance
4 to for the repair and rehabilitation of dwelling units;

5 (e) The nature and amounts of the administrative expenses and program delivery costs the grant
6 program recipient has incurred in providing the financial assistance under the program;

7 (f) Disaggregated data concerning the income, racial or ethnic background, family size and re-
8 lated demographic information of low income households who received financial assistance for repair
9 and rehabilitation of residences under the program from the grant program recipient; and

10 (g) Any other information required by the [authority] **department**.

11 (8) The [authority] **department** may not pay amounts for grants under this section from any
12 source other than available funds in the Healthy Homes Repair Fund established in ORS 431A.402.

13 (9) Under the Healthy Homes Program, the [authority] **department** may develop, or contract
14 with public institutions of higher education or nonprofit organizations to assist in developing:

15 (a) Methods for evaluating health hazards in housing;

16 (b) Methods for preventing and reducing health hazards in housing;

17 (c) Performance measures for the work being performed through the financial assistance pro-
18 vided under the program; and

19 (d) Recommendations for promoting the incorporation of healthy housing into ongoing practices
20 and systems, including housing codes.

21 **SECTION 863.** ORS 431A.402 is amended to read:

22 431A.402. (1) There is established in the State Treasury the Healthy Homes Repair Fund, sepa-
23 rate and distinct from the General Fund. Interest earned by the Healthy Homes Repair Fund is
24 credited to the fund. The purpose of the fund is to:

25 (a) Fund grants to eligible entities under the Healthy Homes Program established under ORS
26 431A.400; and

27 (b) Pay for the administrative expenses of the Oregon [Health Authority] **Department of Health**
28 in establishing, implementing and administering the Healthy Homes Program under ORS 431A.400.

29 (2) The fund consists of:

30 (a) Money appropriated to the fund by the Legislative Assembly;

31 (b) Grant funds repaid under ORS 431A.400 (6);

32 (c) Moneys transferred to the fund from the federal or state government;

33 (d) Application fees received under ORS 431A.400, if any; and

34 (e) Gifts, grants and donations received from any source.

35 **SECTION 864.** ORS 431A.410, as amended by sections 30 and 30a, chapter 86, Oregon Laws
36 2022, is amended to read:

37 431A.410. (1) As used in this section:

38 (a) "Public education provider" has the meaning given that term in ORS 326.545.

39 (b) "Smoke filtration system" means an air filtration system capable of removing particulates
40 and other harmful components of wildfire smoke in a public building.

41 (2) In consultation and coordination with the Oregon [Health Authority] **Department of**
42 **Health**, the Department of Human Services shall establish and implement a grant program that al-
43 lows local governments, public education providers and federally recognized Indian tribes in Oregon
44 to:

45 (a) Establish emergency spaces that provide cleaner air, warming or cooling.

(b) Equip public buildings with:

(A) Smoke filtration systems so the public buildings may serve as cleaner air spaces during wildfire smoke and other poor air quality events.

(B) Warming or cooling facilities so the public buildings may serve as temperate spaces during dangerously hot or cold conditions.

(3) The Department of **Revenue** shall require grantees to provide access to the spaces at no charge.

(4) Warming or cooling spaces or facilities receiving grants under this section shall notify the 2-1-1 system provided for in ORS 403.400 to 403.430, regarding the space's location and capacity and shall keep the corporation updated with the space's hours and dates of operation.

SECTION 865. ORS 431A.412, as amended by sections 31 and 31a, chapter 86, Oregon Laws 2022, is amended to read:

431A.412. (1) As used in this section, "public education provider" has the meaning given that term in ORS 326.545.

(2) The Department of Human Services is the lead state agency for operating spaces that provide cleaner air, warming or cooling. The department shall:

(a) Consult and collaborate with the Oregon [*Health Authority*] **Department of Health** to align practices for voluntary evacuations and emergency sheltering operations.

(b) Coordinate with the [*authority*] **Oregon Department of Health** in setting priorities for awarding grants described in ORS 431A.410.

(c) Provide support to the local agencies, public education providers and federally recognized Indian tribes in Oregon that take lead roles in operating and planning spaces that provide cleaner air, warming or cooling.

SECTION 866. ORS 431A.415 is amended to read:

431A.415. (1) As used in this section, "smoke filtration device" means portable air cleaners and furnace, heating, ventilation and air conditioning filters that are intended to remove contaminants, including particulates and other harmful components of wildfire smoke, from the air in a room to improve indoor air quality.

(2) The Oregon [*Health Authority*] **Department of Health** shall establish a program to increase the availability of residential smoke filtration devices among persons vulnerable to the health effects of wildfire smoke who reside in areas susceptible to wildfire smoke.

(3) The [*authority*] **department** may award grants for the purchase of smoke filtration devices.

(4) If the [*authority*] **department** awards grants described in this section, the [*authority*] **department** shall give priority to funding for smoke filtration devices in residential buildings occupied by persons who qualify for the Oregon Health Plan or Medicaid and are vulnerable to the health effects of wildfire smoke.

(5) The [*authority*] **department** may adopt rules establishing standards for smoke filtration devices obtained with grant moneys received under this section, including, but not limited to, minimum acceptable efficiency for the removal of particulates and other harmful substances generated by wildfires.

(6) The [*authority*] **department** may provide information and refer service providers to grantees that need housing interventions to facilitate effective use of smoke filtration devices, including interventions such as weather proofing.

SECTION 867. ORS 431A.417 is amended to read:

431A.417. The Oregon [*Health Authority*] **Department of Health** shall periodically report to an

1 appropriate committee or interim committee of the Legislative Assembly, as described in ORS
2 192.245, to the State Wildfire Programs Director and to the Wildfire Programs Advisory Council on:

3 (1) The use of smoke filtration devices funded under ORS 431A.415, including use of the smoke
4 filtration devices by vulnerable and underserved communities.

5 (2) The effectiveness of the programs described in ORS 431A.415.

6 (3) Areas for improvement.

7 (4) Public health impacts during wildfire smoke events.

8 (5) Whether funding described in ORS 431A.415 has provided a public health return on invest-
9 ment.

10 **SECTION 868.** ORS 431A.463 is amended to read:

11 431A.463. (1) The Oregon [*Health Authority*] **Department of Health** shall prohibit coordinated
12 care organizations and public payers of health insurance, when reimbursing the cost of medication-
13 assisted treatment for treating substance use disorders, including opioid and opiate addiction, from
14 requiring prior authorization of payment during the first 30 days of medication-assisted treatment.

15 (2) The [*authority*] **department** may adopt rules to carry out this section.

16 **SECTION 869.** ORS 431A.475 is amended to read:

17 431A.475. (1) The Oregon [*Health Authority*] **Department of Health** shall educate residents of
18 this state about:

19 (a) The need for bone marrow donors;

20 (b) The procedures required to become registered as a potential bone marrow donor, including
21 procedures for determining a person's tissue type; and

22 (c) The medical procedures a donor must undergo to donate bone marrow or other sources of
23 blood stem cells.

24 (2) The Oregon [*Health Authority*] **Department of Health** shall make special efforts to educate
25 and recruit citizens of Oregon with a special emphasis on minority populations to volunteer as po-
26 tential bone marrow donors. Means of communication may include use of press, radio and television,
27 and placement of educational materials in appropriate health care facilities, blood banks and state
28 and local agencies. The Oregon [*Health Authority*] **Department of Health** in conjunction with the
29 Department of Transportation shall make educational materials available at all places where driver
30 licenses are issued or renewed.

31 **SECTION 870.** ORS 431A.500 is amended to read:

32 431A.500. (1) There is established a Spinal Cord Injury Research Board consisting of 11 members
33 appointed by the Governor.

34 (2) The term of office of each member is four years, but a member serves at the pleasure of the
35 Governor. A member is eligible for reappointment. If there is a vacancy for any cause, the Governor
36 shall make an appointment to become immediately effective for the unexpired term.

37 (3) The appointment of a member to the board is subject to confirmation by the Senate in the
38 manner prescribed in ORS 171.562 and 171.565.

39 (4) The members of the Spinal Cord Injury Research Board shall be citizens of this state who
40 are well informed on the issues relating to spinal cord injuries and related disabilities. Members
41 may include, but are not limited to:

42 (a) A minimum of five health professionals with clinical practice experience in each of the
43 practice fields of neuroscience, neurology, neurosurgery, neuropharmacology and spinal cord
44 rehabilitative medicine;

45 (b) A representative of the Oregon Disabilities Commission;

1 (c) A representative of a disabilities advocacy organization or an individual who advocates on
2 behalf of persons with spinal cord injuries;

3 (d) A representative of the Oregon [*Health Authority*] **Department of Health**;

4 (e) Members of the Legislative Assembly; and

5 (f) A person with a spinal cord injury.

6 (5) The board shall elect one of its members as chairperson and another as vice chairperson, for
7 such terms and with such duties and powers necessary for the performance of the functions of such
8 offices as the board determines.

9 (6) The board shall meet at least once every three months at a place, day and hour determined
10 by the chairperson. The board also shall meet at other times and places specified by the call of the
11 chairperson or of a majority of the members of the board.

12 (7) In accordance with applicable provisions of ORS chapter 183, the board may adopt rules
13 necessary for the administration of the grant program and fund described in ORS 431A.505 and
14 431A.510.

15 **SECTION 871.** ORS 431A.525 is amended to read:

16 431A.525. (1) The Stroke Care Committee is established under the Oregon [*Health Authority*]
17 **Department of Health**.

18 (2) The Director of the Oregon [*Health Authority*] **Department of Health** shall appoint at least
19 10 members to serve on the committee as follows:

20 (a) Two physicians who specialize in the care of stroke patients, one of whom is a neurologist;

21 (b) One physician who specializes in emergency medicine;

22 (c) At least three hospital administrators, or designees of hospital administrators, of whom:

23 (A) At least one must be from a certified Comprehensive Stroke Center;

24 (B) One must be from a certified Primary Stroke Center; and

25 (C) One must be from a rural hospital that uses Telestroke;

26 (d) One nurse who is a stroke coordinator or who works in an emergency department and has
27 experience treating stroke;

28 (e) One emergency medical services provider who works for a licensed ambulance service;

29 (f) One health practitioner who specializes in rehabilitative medicine; and

30 (g) One individual who has experience advocating for the care of stroke patients and who is not
31 a health care provider.

32 (3) In appointing members under subsection (2) of this section, the director must consider the
33 geographic diversity of this state and appoint members who are from rural areas.

34 (4) For the purpose of achieving continuous improvement in the quality of stroke care, the
35 committee shall:

36 (a) Analyze data related to the prevention and treatment of strokes;

37 (b) Identify potential interventions to improve stroke care; and

38 (c) Advise the [*authority*] **department** on meeting the objectives of the [*authority*] **department**,
39 including but not limited to the objectives of the emergency medical services and trauma system
40 developed pursuant to ORS 431A.050, that are related to stroke care.

41 (5) A majority of the members of the committee constitutes a quorum for the transaction of
42 business.

43 (6) Official action taken by the committee requires the approval of a majority of the members
44 of the committee.

45 (7) The committee shall elect a chairperson from among its members.

1 (8) The committee shall meet at the call of the chairperson or of a majority of the members of
2 the committee.

3 (9) The committee may adopt rules necessary for the operation of the committee.

4 (10) The term of office of each member of the committee is four years, but a member serves at
5 the pleasure of the director. Before the expiration of the term of a member, the director shall ap-
6 point a successor whose term begins January 1 next following. A member is eligible for reappoint-
7 ment. If there is a vacancy for any cause, the director shall make an appointment to become
8 immediately effective for the unexpired term.

9 (11) Members of the committee are not entitled to compensation, but may be reimbursed from
10 funds available to the [authority] **department**, for actual and necessary travel and other expenses
11 incurred by them in the performance of their official duties in the manner and amounts provided for
12 in ORS 292.495.

13 **SECTION 872.** ORS 431A.530 is amended to read:

14 431A.530. (1) The Oregon [Health Authority] **Department of Health** shall, in accordance with
15 recommendations made by the Stroke Care Committee established under ORS 431A.525, establish
16 and implement a plan for achieving continuous improvement in the quality of stroke care. In imple-
17 menting the plan, the [authority] **department** shall:

18 (a) Require hospitals certified as Comprehensive Stroke Centers or Primary Stroke Centers
19 through the Joint Commission or an equivalent organization, and encourage all other hospitals, to
20 submit stroke care data to a database designated by the [authority] **department**. A hospital that
21 submits stroke care data under this paragraph must authorize the keeper of the database to permit
22 the [authority] **department** to access the submitted data.

23 (b) Designate a statewide or national stroke database to which hospitals described in paragraph
24 (a) of this subsection are required to submit, or may submit, stroke care data for the purpose of
25 obtaining information and statistics on stroke care. In designating the database, the [authority] **de-**
26 **partment** shall ensure that the database:

27 (A) Has security protections in place to safely protect individually identifiable information to
28 the extent that the database receives and maintains such information; and

29 (B) Aligns with the core consensus stroke metrics developed and approved by the American
30 Heart Association, the American Stroke Association, the Joint Commission and the Centers for
31 Disease Control and Prevention.

32 (c) Develop a data oversight process in accordance with recommendations made by the Stroke
33 Care Committee.

34 (2) In addition to the duties described in subsection (1) of this section, the [authority] **depart-**
35 **ment** shall:

36 (a) Coordinate with national health organizations involved in improving the quality of stroke
37 care to avoid duplicative information and redundant processes.

38 (b) Use information related to stroke care and reported pursuant to subsection (1)(a) of this
39 section to support improvement in the quality of stroke care in accordance with guidelines that meet
40 or exceed nationally recognized standards established by the American Stroke Association.

41 (c) Encourage the sharing of information among health care providers on practices that improve
42 the quality of stroke care.

43 (d) Facilitate communication about data trends and treatment developments among health care
44 providers and coordinated care organizations that provide services related to stroke care.

45 (e) Provide stroke care data and recommend improvements for stroke care to coordinated care

1 organizations.

2 (f) Not later than the beginning of each odd-numbered year regular session of the Legislative
3 Assembly, prepare and submit to the Legislative Assembly a report in the manner provided in ORS
4 192.245 summarizing the [authority's] **department's** activities under this section.

5 (3)(a) Information submitted to the designated database and accessed by the [authority] **depart-**
6 **ment** under this section:

7 (A) Is confidential and not subject to disclosure under ORS 192.311 to 192.478;

8 (B) May be disclosed only as permitted in paragraph (b) of this subsection and in accordance
9 with rules adopted by the [authority] **department** under this section;

10 (C) Is not subject to civil or administrative subpoena; and

11 (D) Is nondiscoverable and inadmissible in a judicial, administrative, arbitration or mediation
12 proceeding.

13 (b) Individually identifiable information and information that identifies a hospital described in
14 subsection (1)(a) of this section may not be disclosed by the [authority] **department** without the
15 approval of the hospital that submitted the information. Only deidentified information may be dis-
16 closed by the [authority] **department** under this section.

17 **SECTION 873.** ORS 431A.550 is amended to read:

18 431A.550. (1) A facility, as defined in 42 U.S.C. 263b, must provide written notice, in the form
19 prescribed by the Oregon [Health Authority] **Department of Health** under subsection (2) of this
20 section, to a patient on whom the facility has performed a mammogram if the mammogram shows
21 the patient has dense breast tissue.

22 (2) The [authority] **department** shall prescribe by rule the form and content of the notice pro-
23 vided under subsection (1) of this section. The notice must include but is not limited to all of the
24 following:

25 (a) Information about breast density, based on the Breast Imaging Reporting and Data System
26 established by the American College of Radiology;

27 (b) An explanation that dense breast tissue can make it harder to find cancer on a mammogram
28 and that dense breast tissue may also be associated with an increased risk of breast cancer;

29 (c) That the patient may benefit from supplementary screening or diagnostic testing including
30 a breast ultrasound; and

31 (d) That the patient should contact the patient's health care provider to find out whether the
32 health care provider recommends additional testing.

33 (3) The [authority] **department** shall adopt by rule a definition of "dense breast tissue" and shall
34 amend the definition whenever necessary to ensure that the definition is consistent with current
35 medical evidence.

36 **SECTION 874.** ORS 431A.560 is amended to read:

37 431A.560. (1) The Oregon [Health Authority] **Department of Health** shall make written materi-
38 als available on the [authority's] **department's** website to educate breast cancer patients about the
39 availability of insurance coverage for breast reconstruction surgery and breast prostheses following
40 a mastectomy. The [authority] **department** shall update the materials at least annually.

41 (2) The [authority] **department** shall place a link to the educational materials described in
42 subsection (1) of this section next to a link on the website to information about breast cancer
43 screenings and under a tab designated "Breast Reconstruction Education." The materials must in-
44 clude links to information about breast reconstruction surgery published by governmental entities
45 with a nexus to this state or nonprofit organizations with expertise in breast reconstruction surgery,

1 including but not limited to information about:

2 (a) The availability of the option to have breast reconstruction surgery following a mastectomy
3 including that the breast reconstruction surgery may be performed at the time of a mastectomy or
4 may be delayed until a later date.

5 (b) Prostheses or breast forms as alternatives to breast reconstruction surgery.

6 (c) The requirements of the Women's Health and Cancer Rights Act of 1998 (P.L. 105-277) in-
7 cluding the right to breast reconstruction surgery following a mastectomy even if the surgery is
8 delayed until a later date.

9 (3) The [authority] **department** may include educational information about breast reconstruction
10 surgery in newsletters or similar publications that the [authority] **department** sends to clients or
11 physicians on a weekly or monthly basis.

12 **SECTION 875.** ORS 431A.570 is amended to read:

13 431A.570. (1) As used in this section:

14 (a) "Communicable disease" has the meaning given that term in ORS 431A.005.

15 (b) "Good faith effort to obtain the voluntary consent of the source person" includes a good faith
16 effort to locate or contact the source person.

17 (c) "Significant exposure" means direct contact with blood, bodily fluids or other potentially
18 infectious materials of a person, and the contact is capable of transmitting a communicable disease.

19 (2) Notwithstanding any other provision of law, an employee of the Department of Corrections,
20 a law enforcement officer as defined in ORS 414.805, a parole and probation officer as defined in
21 ORS 181A.355, a corrections officer as defined in ORS 181A.355, an emergency medical services
22 provider as defined in ORS 682.025, a licensed health care provider as defined in ORS 433.060 or a
23 firefighter who, in the performance of the person's official duties, comes into contact with the blood,
24 bodily fluid or other potentially infectious material of another person may petition the circuit court
25 for an order compelling the testing of the source person for a communicable disease, provided that
26 the person making the petition has first made a good faith effort to obtain the voluntary consent
27 of the source person to be tested for a communicable disease.

28 (3) A petition submitted under this section must:

29 (a) Set forth the facts and circumstances of the contact with the source person and the reasons
30 the petitioner and a medically trained person representing the petitioner, if available, believe the
31 contact with the source person constitutes significant exposure and that testing is appropriate;

32 (b) If a medically trained person is not available to represent the petitioner, include the reason
33 for the unavailability;

34 (c) Include information sufficient to identify the source person and the location of the source
35 person, if known; and

36 (d) Include a statement by the petitioner attesting to having made a good faith effort to obtain
37 the voluntary consent of the source person to be tested for a communicable disease.

38 (4) The circuit court shall hold an ex parte hearing in person, by telephone or by other appro-
39 priate means no later than three judicial days after receiving a petition under this section. Upon
40 a finding that the requirements of subsection (3) of this section have been met and a showing that
41 the circumstances create probable cause to conclude that the petitioner's contact with the source
42 person constitutes significant exposure, the court shall order the testing of the source person. The
43 court shall issue the order no later than four judicial days after receiving a petition under this
44 section.

45 (5) If the circuit court orders a test under subsection (4) of this section:

1 (a) The order shall direct the source person to allow a test to be performed by a licensed health
 2 care provider, without delay, for a communicable disease that may be transmitted by the type of
 3 contact that occurred and may specify the date by which the test must be completed. If the source
 4 person is in custody or otherwise subject to the legal control of another person, the order may be
 5 directed to the agency with custody of, or the other person with legal control over, the source
 6 person. The order may direct the agency or other person to provide the source person with a copy
 7 of the order. The order may contain any directions necessary to ensure that the test is performed.

8 (b) The petitioner shall designate a physician, physician assistant or nurse practitioner to re-
 9 ceive the results of the test on behalf of the petitioner.

10 (c) The order must inform the source person, or the agency with custody of or other person with
 11 legal control over the source person, of:

12 (A) The physician, physician assistant or nurse practitioner who is to receive the results of the
 13 test on behalf of the petitioner; and

14 (B) How to obtain payment for costs under subsection (8) of this section.

15 (d) The order must be served on the source person, or the agency with custody of or other
 16 person with legal control over the source person, in the manner directed by the court. The court
 17 may provide for service of the order by any means appropriate to the circumstances of the source
 18 person, including directing the petitioner or the sheriff to serve the order. The costs associated with
 19 serving the order must be paid as provided under subsection (8) of this section.

20 (e) The order is enforceable through the contempt powers of the court.

21 (6) The results of a test ordered under this section:

22 (a) Are confidential and not subject to public disclosure under ORS 192.311 to 192.478; and

23 (b) May be made available only to the physician, physician assistant or nurse practitioner des-
 24 ignated by the petitioner to receive the results of the test, the Oregon [*Health Authority*] **Depart-**
 25 **ment of Health** and the source person.

26 (7) Blood, bodily fluids or other potentially infectious materials taken from a source person for
 27 the purpose of performing a test under this section:

28 (a) May not be used for a civil or criminal investigation or as evidence in civil or criminal
 29 proceeding; and

30 (b) May be retained only as long as necessary to confirm the results of a test performed under
 31 this section.

32 (8) A charge or filing fee may not be imposed for the filing of a petition under this section. The
 33 cost of any testing ordered under this section shall be the responsibility of the employer of the
 34 petitioner.

35 **SECTION 876.** ORS 431A.575 is amended to read:

36 431A.575. The Oregon [*Health Authority*] **Department of Health** shall provide to the counties
 37 of this state pamphlets described in ORS 106.081. The [*authority*] **department** may produce such
 38 pamphlets with moneys available for the purpose or may accept a gift of such pamphlets from any
 39 public or private source if the content is acceptable to the [*authority*] **department**.

40 **SECTION 877.** ORS 431A.600 is amended to read:

41 431A.600. The Oregon [*Health Authority*] **Department of Health** shall establish and implement
 42 appropriate education, prevention and outreach activities in communities that traditionally practice
 43 female circumcision, excision or infibulation for the purpose of informing:

44 (1) Those communities of the health risks and emotional trauma inflicted by the practices;

45 (2) Those communities and the medical community as to the existence and ramifications of ORS

1 163.207; and

2 (3) Those communities that the practices constitute physical injuries to a child for purposes of
3 ORS 419B.005.

4 **SECTION 878.** ORS 431A.625 is amended to read:

5 431A.625. (1) The Oregon [*Health Authority*] **Department of Health** shall establish an acquired
6 immune deficiency syndrome program:

7 (a) To provide education and prevention services to its clients; and

8 (b) To provide education and prevention services to the public.

9 (2) Programs authorized by this section may be operated by the [*authority*] **department** directly
10 or under contract with public and private agencies.

11 **SECTION 879.** ORS 431A.675 is amended to read:

12 431A.675. (1) The Maternal Mental Health Patient and Provider Education Program is created
13 in the Oregon [*Health Authority*] **Department of Health**. The goal of the program is to identify and
14 address maternal mental health disorders and to prevent the associated long-term negative outcomes
15 from the disorders that result for women, children and families.

16 (2) The [*authority*] **department** shall develop informational materials for health care providers
17 who serve pregnant and postpartum patients, including patients who have experienced a post-
18 pregnancy loss. The informational materials must be based on the recommendations made in the
19 report of the work group on maternal mental health disorders pursuant to section 1, chapter 624,
20 Oregon Laws 2009.

21 (3) The [*authority*] **department** shall post the informational materials developed under sub-
22 section (2) of this section to the [*authority's*] **department's** website to educate the public about
23 maternal mental health disorders.

24 **SECTION 880.** ORS 431A.680 is amended to read:

25 431A.680. (1) Physicians, nurse midwives, naturopathic physicians and other licensed health care
26 professionals who provide prenatal and postnatal care to patients may provide to each patient, and
27 family members of the patient, if appropriate, the informational materials published by the Oregon
28 [*Health Authority*] **Department of Health** under ORS 431A.675 or other maternal mental health
29 education materials that are approved by the [*authority*] **department**.

30 (2) Hospitals and other health care facilities that provide maternity care may give postnatal and
31 post-pregnancy loss patients, and family members of the patients, if appropriate, prior to the dis-
32 charge of the patient, the informational materials published by the [*authority*] **department** under
33 ORS 431A.675 or other maternal mental health education materials that are approved by the [*au-*
34 *thority*] **department**.

35 **SECTION 881.** ORS 431A.685 is amended to read:

36 431A.685. The Oregon [*Health Authority*] **Department of Health** is authorized to apply for fed-
37 eral grants that are available under 42 U.S.C. 280g-11, 711 and 712 or any other appropriate federal
38 funding source, and may solicit private gifts, grants or donations to carry out the provisions of ORS
39 431A.675.

40 **SECTION 882.** ORS 431A.700 is amended to read:

41 431A.700. (1) The Oregon [*Health Authority*] **Department of Health** shall compile information
42 on the following:

43 (a) The dangers associated with adrenal insufficiency;

44 (b) How to identify a person suffering an adrenal crisis; and

45 (c) The types of medications that treat adrenal insufficiency.

1 (2) The [authority] **department** shall disseminate the information described in subsection (1) of
 2 this section to health care professionals and the public for the purpose of educating health care
 3 professionals and the public about adrenal insufficiency. The [authority] **department** may dissem-
 4 inate the information through print or electronic publications, through video productions or by any
 5 other method determined to be cost-effective by the [authority] **department**.

6 (3) In disseminating the information described in subsection (1) of this section, the [authority]
 7 **department** shall consider the most effective means of providing the information to emergency
 8 medical services providers licensed under ORS chapter 682 and health care professionals who work
 9 in a hospital emergency department.

10 **SECTION 883.** ORS 431A.725 is amended to read:

11 431A.725. Using evidence-based data and best practices, the Oregon [Health Authority] **Depart-**
 12 **ment of Health** shall promote oral health throughout this state by ensuring the availability of
 13 dental sealant programs to students attending school in this state. To fulfill its duties under this
 14 section, the [authority] **department** shall:

15 (1) Screen, and ensure the provision of dental sealants to, appropriate student populations who
 16 attend an elementary school or a middle school in which at least 40 percent of all students attending
 17 the school are eligible to receive assistance under the United States Department of Agriculture's
 18 National School Lunch Program.

19 (2) Where appropriate, directly provide the services described in subsection (1) of this section.

20 (3) Where appropriate, oversee the provision of services described in subsection (1) of this sec-
 21 tion by local dental sealant programs.

22 (4) Adopt by rule procedures and qualifications for:

23 (a) The certification of local dental sealant programs;

24 (b) The recertification of local dental sealant programs;

25 (c) The training of personnel who provide services through local dental sealant programs; and

26 (d) Monitoring and collecting data from local dental sealant programs.

27 (5) Upon making a determination that a local dental sealant program is capable of providing the
 28 services described in subsection (1) of this section for one or more schools:

29 (a) Develop a plan for transitioning the school or schools from receiving the services directly
 30 from the [authority] **Oregon Department of Health** to receiving the services from the local dental
 31 sealant program; and

32 (b) Assist the school or schools in making the transition.

33 (6) Ensure that all dental sealant data collected by the [authority] **department** or a local dental
 34 sealant program is integrated with data sets included as part of the comprehensive health care in-
 35 formation system described in ORS 442.373.

36 **SECTION 884.** ORS 431A.750 is amended to read:

37 431A.750. (1) For the better protection of the public health, the laboratory of the Oregon [Health
 38 Authority] **Department of Health** shall make examinations of water, milk, blood, secretions,
 39 excretions, tissues or environmental samples required by any state or local agency in Oregon.

40 (2) In accordance with the rules of the [authority] **department**, the [authority] **department** may
 41 make examinations of water, milk, blood, secretions, excretions, tissues or environmental samples for
 42 any:

43 (a) Country or territory;

44 (b) Federal agency;

45 (c) Agency of another state;

1 (d) Tribal agency; or

2 (e) Health care practitioner licensed in any country, territory or state.

3 (3) The [authority] **department** may adopt rules to implement this section and collect fees for
4 tests performed in the state public health laboratory, subject to approval by the Oregon Department
5 of Administrative Services prior to adopting a new fee or changing an existing fee.

6 (4) All moneys collected under subsection (3) of this section shall be deposited in the Public
7 Health Account to be used for expenses of the state public health laboratory.

8 **SECTION 885.** ORS 431A.850 is amended to read:

9 431A.850. As used in ORS 431A.855 to 431A.900:

10 (1) "Dental director" means a dentist, as defined in ORS 679.010, employed by a coordinated care
11 organization, dental clinic or office, or a system of dental clinics or offices, for the purpose of
12 overseeing the operations of the dental clinic or office, or the system of dental clinics or offices, and
13 ensuring the delivery of quality dental care within the clinic, office or system.

14 (2) "Dispense" and "dispensing" have the meanings given those terms in ORS 689.005.

15 (3) "Drug outlet" has the meaning given that term in ORS 689.005.

16 (4) "Health professional regulatory board" means a health professional regulatory board, as de-
17 fined in ORS 676.160, the Long Term Care Administrators Board, the Board of Licensed Dietitians
18 and the Behavior Analysis Regulatory Board.

19 (5) "Medical director" means a physician employed by a coordinated care organization, hospital,
20 health care clinic or system of hospitals or health care clinics for the purposes of overseeing the
21 operations of the coordinated care organization, hospital, clinic or system and ensuring the delivery
22 of quality health care within the coordinated care organization, hospital, clinic or system.

23 (6) "Pharmacist" means:

24 (a) A pharmacist as defined in ORS 689.005; or

25 (b) An individual licensed to practice pharmacy in another state, if the requirements for
26 licensure are similar, as determined by the Oregon [Health Authority] **Department of Health**, to the
27 requirements for being licensed as a pharmacist as defined in ORS 689.005.

28 (7) "Pharmacy director" means a pharmacist employed by a coordinated care organization,
29 pharmacy or system of pharmacies for the purposes of overseeing the operations of the coordinated
30 care organization, pharmacy or system and ensuring the delivery of quality pharmaceutical care
31 within the coordinated care organization, pharmacy or system.

32 (8) "Practitioner" means:

33 (a) A practitioner as defined in ORS 689.005; or

34 (b) An individual licensed to practice a profession in another state, if the requirements for
35 licensure are similar, as determined by the [authority] **department**, to the requirements for being
36 licensed as a practitioner as defined in ORS 689.005.

37 (9) "Prescription" has the meaning given that term in ORS 475.005.

38 (10) "Prescription drug" has the meaning given that term in ORS 689.005.

39 **SECTION 886.** ORS 431A.855 is amended to read:

40 431A.855. (1)(a) The Oregon [Health Authority] **Department of Health**, in consultation with the
41 Prescription Monitoring Program Advisory Commission, shall establish and maintain a prescription
42 monitoring program for monitoring and reporting:

43 (A) Prescription drugs dispensed by pharmacies licensed by the State Board of Pharmacy that
44 are classified in schedules II through IV under the federal Controlled Substances Act, 21 U.S.C. 811
45 and 812, as modified by the board by rule under ORS 475.035;

- 1 (B) Prescribed gabapentin and naloxone dispensed by pharmacies; and
- 2 (C) Other drugs identified by rules adopted by the [authority] **department**.

3 (b)(A) To fulfill the requirements of this subsection, the [authority] **department** shall establish,
 4 maintain and operate an electronic system to monitor and report drugs described in paragraph (a)
 5 of this subsection that are dispensed by prescription.

6 (B) The electronic system must:

7 (i) Operate and be accessible by practitioners and pharmacies 24 hours a day, seven days a
 8 week; and

9 (ii) Allow practitioners to register as required under ORS 431A.877 and to apply for access to
 10 the electronic system in accordance with rules adopted by the [authority] **department** under sub-
 11 section (2) of this section.

12 (C) The [authority] **department** may contract with a state agency or private entity to ensure
 13 the effective operation of the electronic system.

14 (2) In consultation with the commission, the [authority] **department** shall adopt rules for the
 15 operation of the electronic prescription monitoring program established under subsection (1) of this
 16 section, including standards for:

17 (a) Reporting data;

18 (b) Providing maintenance, security and disclosure of data;

19 (c) Ensuring accuracy and completeness of data;

20 (d) Complying with the federal Health Insurance Portability and Accountability Act of 1996 (P.L.
 21 104-191) and regulations adopted under that law, including 45 C.F.R. parts 160 and 164, federal al-
 22 cohol and drug treatment confidentiality laws and regulations adopted under those laws, including
 23 42 C.F.R. part 2, and state health and mental health confidentiality laws, including ORS 179.505,
 24 192.517 and 192.553 to 192.581;

25 (e) Ensuring accurate identification of persons or entities requesting information from the da-
 26 tabase;

27 (f) Accepting printed or nonelectronic reports from pharmacies that do not have the capability
 28 to provide electronic reports;

29 (g) Notifying a patient, before or when a drug classified in schedules II through IV is dispensed
 30 to the patient, about the prescription monitoring program and the entry of the prescription in the
 31 electronic system; and

32 (h) Registering practitioners with the electronic system.

33 (3) The [authority] **department** shall submit an annual report to the commission regarding the
 34 prescription monitoring program established under this section.

35 **SECTION 887.** ORS 431A.860 is amended to read:

36 431A.860. (1) Not later than 72 hours after dispensing a prescription drug that is subject to the
 37 prescription monitoring program established under ORS 431A.855, a pharmacy shall electronically
 38 report to the Oregon [Health Authority] **Department of Health**:

39 (a) For prescription drugs described in ORS 431A.855 (1)(a)(A) and other drugs identified by the
 40 [authority] **department** by rule, the name, address, phone number, date of birth and sex of the pa-
 41 tient for whom the prescription drug was prescribed;

42 (b) The identity of the pharmacy that dispensed the prescription drug and the date on which the
 43 prescription drug was dispensed;

44 (c) The identity of the practitioner who prescribed the prescription drug and the date on which
 45 the prescription drug was prescribed;

- 1 (d) The national drug code number for the prescription drug;
 2 (e) The prescription number assigned to the prescription drug;
 3 (f) The quantity of the prescription drug dispensed;
 4 (g) The number of days for which the prescription drug was dispensed;
 5 (h) The number of refills of the prescription authorized by the practitioner and the number of
 6 the refill that the pharmacy dispensed; and
 7 (i) The diagnosis code used by the practitioner and the reason for the prescription.
- 8 (2) Notwithstanding subsection (1) of this section, the [authority] **department** may not:
- 9 (a) Require the reporting of prescription drugs administered directly to a patient or dispensed
 10 pursuant to ORS 127.800 to 127.897; or
 11 (b) Collect or use Social Security numbers in the prescription monitoring program.
- 12 (3) Upon receipt of the data reported pursuant to subsection (1) of this section, the [authority]
 13 **department** shall record the data in the electronic system established under ORS 431A.855.
- 14 (4)(a) The [authority] **department** may, for good cause as determined by the [authority] **depart-**
 15 **ment**, grant a pharmacy a waiver of the requirement that the information to be reported under
 16 subsection (1) of this section be submitted electronically. The waiver must state the format, method
 17 and frequency of the alternate nonelectronic submissions from the pharmacy and the duration of the
 18 waiver.
- 19 (b) As used in this subsection, “good cause” includes financial hardship.
- 20 (5) This section does not apply to pharmacies in institutions as defined in ORS 179.010.
- 21 **SECTION 888.** ORS 431A.865 is amended to read:
- 22 431A.865. (1)(a) Except as provided under subsections (2) and (3) of this section, prescription
 23 monitoring information submitted under ORS 431A.860 to the prescription monitoring program es-
 24 tablished in ORS 431A.855:
- 25 (A) Is protected health information under ORS 192.553 to 192.581.
 26 (B) Is confidential and not subject to disclosure under ORS 192.311 to 192.478.
- 27 (b) Except as provided under subsection (3)(a)(H) of this section, prescription monitoring infor-
 28 mation submitted under ORS 431A.860 to the prescription monitoring program may not be used to
 29 evaluate a practitioner’s professional practice.
- 30 (2) The Oregon [Health Authority] **Department of Health** may review the prescription moni-
 31 toring information of an individual who dies from a drug overdose.
- 32 (3)(a) Except as provided in paragraph (c) of this subsection, the Oregon [Health Authority]
 33 **Department of Health** shall disclose prescription monitoring information reported to the
 34 [authority] **department** under ORS 431A.860:
- 35 (A) To a practitioner or pharmacist, or, if a practitioner or pharmacist authorizes the
 36 [authority] **department** to disclose the information to a member of the practitioner’s or pharmacist’s
 37 staff, to a member of the practitioner’s or pharmacist’s staff. If a practitioner or pharmacist au-
 38 thORIZES disclosing the information to a member of the practitioner’s or pharmacist’s staff under this
 39 subparagraph, the practitioner or pharmacist remains responsible for the use or misuse of the in-
 40 formation by the staff member. To receive information under this subparagraph, or to authorize the
 41 receipt of information by a staff member under this subparagraph, a practitioner or pharmacist must
 42 certify that the requested information is for the purpose of evaluating the need for or providing
 43 medical or pharmaceutical treatment for a patient to whom the practitioner or pharmacist antic-
 44 ipates providing, is providing or has provided care.
- 45 (B) To a dental director, medical director or pharmacy director, or, if a dental director, medical

1 director or pharmacy director authorizes the [authority] **department** to disclose the information to
2 a member of the dental director's, medical director's or pharmacy director's staff, to a member of
3 the dental director's, medical director's or pharmacy director's staff. If a dental director, medical
4 director or pharmacy director authorizes disclosing the information to a member of the dental
5 director's, medical director's or pharmacy director's staff under this subparagraph, the dental di-
6 rector, medical director or pharmacy director remains responsible for the use or misuse of the in-
7 formation by the staff member. To receive information under this subparagraph, or to authorize the
8 receipt of information by a staff member under this subparagraph:

9 (i) A dental director must certify that the requested information is for the purposes of oversee-
10 ing the operations of a coordinated care organization, dental clinic or office, or a system of dental
11 clinics or offices, and ensuring the delivery of quality dental care within the coordinated care or-
12 ganization, clinic, office or system.

13 (ii) A medical director must certify that the requested information is for the purposes of over-
14 seeing the operations of a coordinated care organization, hospital, health care clinic or system of
15 hospitals or health care clinics and ensuring the delivery of quality health care within the coordi-
16 nated care organization, hospital, clinic or system.

17 (iii) A pharmacy director must certify that the requested information is for the purposes of
18 overseeing the operations of a coordinated care organization, pharmacy or system of pharmacies and
19 ensuring the delivery of quality pharmaceutical care within the coordinated care organization,
20 pharmacy or system.

21 (C) In accordance with subparagraphs (A) and (B) of this paragraph, to an individual described
22 in subparagraphs (A) and (B) of this paragraph through a health information technology system that
23 is used by the individual to access information about patients if:

24 (i) The individual is authorized to access the information in the health information technology
25 system;

26 (ii) The information is not permanently retained in the health information technology system,
27 except for purposes of conducting audits and maintaining patient records; and

28 (iii) The health information technology system meets any privacy and security requirements and
29 other criteria, including criteria required by the federal Health Insurance Portability and Account-
30 ability Act, established by the [authority] **department** by rule.

31 (D) To a practitioner in a form that catalogs all prescription drugs prescribed by the practi-
32 tioner according to the number assigned to the practitioner by the Drug Enforcement Adminis-
33 tration of the United States Department of Justice.

34 (E) To the Chief Medical Examiner or designee of the Chief Medical Examiner, for the purpose
35 of conducting a medicolegal investigation or autopsy.

36 (F) To designated representatives of the [authority] **Oregon Department of Health** or any
37 vendor or contractor with whom the [authority] **department** has contracted to establish or maintain
38 the electronic system established under ORS 431A.855.

39 (G) Pursuant to a valid court order based on probable cause and issued at the request of a
40 federal, state or local law enforcement agency engaged in an authorized drug-related investigation
41 involving a person to whom the requested information pertains.

42 (H) To a health professional regulatory board that certifies in writing that the requested infor-
43 mation is necessary for an investigation related to licensure, license renewal or disciplinary action
44 involving the applicant, licensee or registrant to whom the requested information pertains.

45 (I) Pursuant to an agreement entered into under ORS 431A.869.

1 (b) The [authority] **department** may disclose information from the prescription monitoring pro-
2 gram that does not identify a patient, practitioner or drug outlet:

3 (A) For educational, research or public health purposes;

4 (B) For the purpose of educating practitioners about the prescribing of opioids and other con-
5 trolled substances;

6 (C) To a health professional regulatory board;

7 (D) To a local public health authority, as defined in ORS 431.003; or

8 (E) To officials of the [authority] **department** who are conducting special epidemiologic
9 morbidity and mortality studies in accordance with ORS 413.196 and rules adopted under ORS
10 431.001 to 431.550 and 431.990.

11 (c) The [authority] **department** may not disclose, except as provided in paragraph (b) of this
12 subsection:

13 (A) Prescription drug monitoring information to the extent that the disclosure fails to comply
14 with applicable provisions of the federal Health Insurance Portability and Accountability Act of
15 1996 (P.L. 104-191) and regulations adopted under that law, including 45 C.F.R. parts 160 and 164,
16 federal alcohol and drug treatment confidentiality laws and regulations, including 42 C.F.R. part 2,
17 and state health and mental health confidentiality laws, including ORS 179.505, 192.517 and 192.553
18 to 192.581.

19 (B) The sex of a patient for whom a drug was prescribed.

20 (C) The identity of a patient for whom naloxone was prescribed.

21 (d) The [authority] **department** shall disclose information relating to a patient maintained in the
22 electronic system established under ORS 431A.855 to that patient at no cost to the patient within
23 10 business days after the [authority] **department** receives a request from the patient for the infor-
24 mation.

25 (e)(A) A patient may request the [authority] **department** to correct any information related to
26 the patient that is maintained in the electronic system established under ORS 431A.855 that is er-
27 roneous. The [authority] **department** shall grant or deny a request to correct information within 10
28 business days after the [authority] **department** receives the request. If a request to correct infor-
29 mation cannot be granted because the error occurred at the pharmacy where the information was
30 inputted, the [authority] **department** shall inform the patient that the information cannot be cor-
31 rected because the error occurred at the pharmacy.

32 (B) If the [authority] **department** denies a patient's request to correct information under this
33 paragraph, or fails to grant a patient's request to correct information under this paragraph within
34 10 business days after the [authority] **department** receives the request, the patient may appeal the
35 denial or failure to grant the request. Upon receiving notice of an appeal under this subparagraph,
36 the [authority] **department** shall conduct a contested case hearing as provided in ORS chapter 183.
37 Notwithstanding ORS 183.450, the [authority] **department** has the burden in the contested case
38 hearing of establishing that the information is correct.

39 (f) The information in the prescription monitoring program may not be used for any commercial
40 purpose.

41 (g) In accordance with ORS 192.553 to 192.581 and federal laws and regulations related to pri-
42 vacy, any person authorized to prescribe or dispense a prescription drug who is entitled to access
43 a patient's prescription monitoring information may discuss the information with or release the in-
44 formation to other health care providers involved with the patient's care for the purpose of provid-
45 ing safe and appropriate care coordination.

1 (4)(a) The [authority] **department** shall maintain records of the information disclosed through
2 the prescription monitoring program including:

3 (A) The identity of each person who requests or receives information from the program and any
4 organization the person represents;

5 (B) The information released to each person or organization; and

6 (C) The date and time the information was requested and the date and time the information was
7 provided.

8 (b) Records maintained as required by this subsection may be reviewed by the Prescription
9 Monitoring Program Advisory Commission.

10 (5) Information in the prescription monitoring program that identifies an individual patient must
11 be removed no later than three years from the date the information is entered into the program.

12 (6) The [authority] **department** shall notify the Attorney General and each individual affected
13 by an improper disclosure of information from the prescription monitoring program of the disclosure.

14 (7)(a) If the [authority] **department** or a person or entity required to report or authorized to
15 receive or release prescription information under this section violates this section or ORS 431A.860
16 or 431A.870, a person injured by the violation may bring a civil action against the [authority] **de-**
17 **partment**, person or entity and may recover damages in the amount of \$1,000 or actual damages,
18 whichever is greater.

19 (b) Notwithstanding paragraph (a) of this subsection, the [authority] **department** and a person
20 or entity required to report or authorized to receive or release prescription information under this
21 section are immune from civil liability for violations of this section or ORS 431A.860 or 431A.870
22 unless the [authority] **department**, person or entity acts with malice, criminal intent, gross
23 negligence, recklessness or willful intent.

24 (8) Nothing in ORS 431A.855 to 431A.900 requires a practitioner or pharmacist who prescribes
25 or dispenses a prescription drug to obtain information about a patient from the prescription moni-
26 toring program. A practitioner or pharmacist who prescribes or dispenses a prescription drug may
27 not be held liable for damages in any civil action on the basis that the practitioner or pharmacist
28 did or did not request or obtain information from the prescription monitoring program.

29 (9) The [authority] **department** shall, at regular intervals, ensure compliance of a health infor-
30 mation technology system described in subsection (3) of this section with the privacy and security
31 requirements and other criteria established by the [authority] **department** under subsection (3) of
32 this section.

33 **SECTION 889.** ORS 431A.866 is amended to read:

34 431A.866. The Oregon [Health Authority] **Department of Health** shall coordinate with health
35 professional regulatory boards to make resources available to practitioners regarding the best
36 methods to change prescribing practices with respect to opioids and opiates and to incorporate al-
37 ternative pain management options into prescribing practices.

38 **SECTION 890.** ORS 431A.867 is amended to read:

39 431A.867. (1) The Oregon [Health Authority] **Department of Health** may require a person re-
40 questing prescription monitoring program information under ORS 431A.865 (3)(b) to enter into a data
41 use agreement under which the person:

42 (a) Describes the proposed use for the information;

43 (b) Agrees to any terms and conditions imposed on transferring the information;

44 (c) Agrees to any limitations imposed on using the information;

45 (d) Agrees to any terms and conditions imposed on keeping the information; and

1 (e) Agrees to destroy the information after completing the proposed use for the information.

2 (2) In determining whether to enter into an agreement under this section, the [authority] **de-**
3 **partment** shall:

4 (a) Ensure that the agreement will benefit the health and safety of Oregonians;

5 (b) Determine whether the person making the request has the technical competence needed to
6 meet any terms, conditions or limitations imposed under subsection (1) of this section and the ability
7 to complete the proposed use for the information;

8 (c) If the proposed use for the information involves research, ensure that the proposed use has
9 been approved by any involved institutional review board; and

10 (d) Consider any other factor that the [authority] **department** determines is relevant.

11 (3) Using the factors described in subsection (2) of this section, the [authority] **department** shall
12 evaluate any agreement entered into under this section at least once per year for the purpose of
13 determining whether to renew the agreement.

14 **SECTION 891.** ORS 431A.869 is amended to read:

15 431A.869. The Oregon [Health Authority] **Department of Health** may enter into agreements
16 governing the sharing and use of information described in ORS 431A.860 (1) with the authorities of
17 other states that administer prescription monitoring programs. An agreement entered into under this
18 section must adhere to the disclosure limitations listed under ORS 431A.865 (3). An agreement en-
19 tered into under this section may:

20 (1) Provide for the transmission of information between electronic systems, provided that any
21 electronic system to which the Oregon [Health Authority] **Department of Health** transmits infor-
22 mation meets the confidentiality, security and privacy standards adopted by the [authority] **depart-**
23 **ment** under ORS 431A.855; or

24 (2) Provide for the transmission of information to practitioners or pharmacists licensed to prac-
25 tice in another state.

26 **SECTION 892.** ORS 431A.875 is amended to read:

27 431A.875. If a practitioner or pharmacist authorized to obtain prescription information from the
28 electronic system established under ORS 431A.855 discloses or uses information obtained from the
29 electronic system in violation of ORS 431A.865, the Oregon [Health Authority] **Department of**
30 **Health** shall report the individual to the appropriate health professional regulatory board.

31 **SECTION 893.** ORS 431A.877 is amended to read:

32 431A.877. (1) In order to ensure the development, administration and evaluation of best practices
33 for prescribing opioids and opiates, a practitioner shall register with the electronic system estab-
34 lished under ORS 431A.855.

35 (2) The Oregon [Health Authority] **Department of Health** may adopt rules to administer this
36 section.

37 **SECTION 894.** ORS 431A.880 is amended to read:

38 431A.880. (1) As used in this section, "board" means:

39 (a) The Oregon Medical Board;

40 (b) The Oregon Board of Dentistry;

41 (c) The Oregon Board of Naturopathic Medicine;

42 (d) The Oregon State Board of Nursing;

43 (e) The Oregon Board of Optometry; and

44 (f) The State Board of Pharmacy.

45 (2)(a) At the time of issuing or renewing a license, a board shall provide the Oregon [Health

1 *Authority*] **Department of Health** with the licensing information of each person licensed by the
 2 board who is authorized to prescribe or dispense controlled substances. The [*authority*] **department**
 3 shall use the licensing information to qualify the licensee to report information to, or receive in-
 4 formation from, the prescription monitoring program established under ORS 431A.855.

5 (b) A board by rule may adopt exceptions to the requirement described in paragraph (a) of this
 6 subsection.

7 (3)(a) In addition to other licensing fees imposed by a board on licensees, a board shall adopt
 8 rules imposing a fee of \$35 per year on each person licensed by the board who is authorized to
 9 prescribe or dispense controlled substances. A board shall collect the fee at the same time the board
 10 collects other licensing fees imposed on licensees.

11 (b) A board shall retain 10 percent of the fees collected under paragraph (a) of this subsection
 12 to cover the costs of administering this section.

13 (c) On the first day of each calendar quarter, a board shall transmit 90 percent of the fees col-
 14 lected under paragraph (a) of this subsection during the preceding calendar quarter to the Oregon
 15 [*Health Authority*] **Department of Health** Fund established in ORS 413.101. Moneys deposited in the
 16 fund under this paragraph may be used only for the purpose of carrying out ORS 431A.855 to
 17 431A.900.

18 (4) A board may adopt rules necessary for the administration of this section.

19 **SECTION 895.** ORS 431A.890 is amended to read:

20 431A.890. (1) The Prescription Monitoring Program Advisory Commission is created for the
 21 purposes of:

22 (a) Studying issues related to the prescription monitoring program established under ORS
 23 431A.855;

24 (b) Reviewing the program's annual report and making recommendations to the Oregon [*Health*
 25 *Authority*] **Department of Health** regarding the operation of the program; and

26 (c) Developing criteria used to evaluate program data.

27 (2) The commission shall consist of 11 members appointed by the [*authority*] **department** as
 28 follows:

29 (a) A person nominated by the Pain Management Commission;

30 (b) A person who dispenses controlled substances nominated by an association representing
 31 pharmacists;

32 (c) A practicing dentist nominated by an association representing dentists;

33 (d) A practicing doctor of medicine nominated by an association representing doctors of medi-
 34 cine;

35 (e) A practicing doctor of osteopathic medicine nominated by an association representing
 36 osteopathic physicians and surgeons;

37 (f) A nurse authorized to prescribe controlled substances nominated by an association repre-
 38 senting nurses;

39 (g) A practicing naturopathic physician nominated by an association representing naturopathic
 40 physicians;

41 (h) A practicing optometrist, nominated by an association representing optometrists;

42 (i) A representative of the [*authority*] **department** with expertise in administering addiction
 43 services; and

44 (j) Two members of the public, one of whom must be an expert in information technology.

45 **SECTION 896.** ORS 431A.895 is amended to read:

1 431A.895. (1) The term of office of each member of the Prescription Monitoring Program Advi-
 2 sory Commission is four years, but a member serves at the pleasure of the Oregon [*Health*
 3 *Authority*] **Department of Health**. Before the expiration of the term of a member, the [*authority*]
 4 **department** shall appoint a successor whose term begins on July 1 next following. A member is
 5 eligible for reappointment. If there is a vacancy for any cause, the [*authority*] **department** shall
 6 make an appointment to become immediately effective.

7 (2) The commission shall elect one of its members to serve as chairperson.

8 (3) The commission shall meet at least once annually at a time and place specified by the
 9 chairperson of the commission. The commission may meet at other times and places specified by the
 10 call of the chairperson or of a majority of the members of the commission.

11 (4) The commission may adopt rules necessary for the operation of the commission.

12 (5) A majority of the members of the commission constitutes a quorum for the transaction of
 13 business.

14 (6) Official action by the commission requires the approval of a majority of the members of the
 15 commission.

16 (7) The [*authority*] **department** shall provide staff support to the commission.

17 (8) Members of the commission are not entitled to compensation, but may be reimbursed for
 18 actual and necessary travel and other expenses incurred by them in the performance of their official
 19 duties in the manner and amounts provided for in ORS 292.495. Claims for expenses incurred in
 20 performing functions of the commission shall be paid out of funds appropriated to the [*authority*]
 21 **department** for that purpose.

22 (9) All agencies of state government, as defined in ORS 174.111, are directed to assist the com-
 23 mission in the performance of its duties and, to the extent permitted by laws relating to
 24 confidentiality, to furnish such information and advice as the members of the commission consider
 25 necessary to perform their duties.

26 **SECTION 897.** ORS 431A.896 is amended to read:

27 431A.896. (1) The Prescription Monitoring Program Prescribing Practices Review Subcommittee
 28 is established as a subcommittee of the Prescription Monitoring Program Advisory Commission
 29 created under ORS 431A.890, for the purpose of advising the Oregon [*Health Authority*] **Department**
 30 **of Health** and the commission on interpreting prescription information, understanding the clinical
 31 aspects of prescribing practices and evaluating prescribing practices.

32 (2)(a) The [*authority*] **department** shall appoint the number of members to the subcommittee that
 33 the [*authority*] **department** determines is necessary to fulfill the functions of the subcommittee.

34 (b) Members of the subcommittee must be practitioners who:

35 (A) Hold a valid license issued in this state or a valid emeritus license issued in this state;

36 (B) Are registered with the federal Drug Enforcement Administration to prescribe drugs classi-
 37 fied in schedules II through IV; and

38 (C) Have at least five years of experience prescribing drugs classified in schedules II through
 39 IV.

40 (c) To the extent feasible, the [*authority*] **department** shall appoint one member to the subcom-
 41 mittee for each type of practitioner in this state that prescribes drugs classified in schedules II
 42 through IV.

43 **SECTION 898.** ORS 431A.898 is amended to read:

44 431A.898. (1) Not less than once per year, the Oregon [*Health Authority*] **Department of**
 45 **Health**, in consultation with the Prescription Monitoring Program Advisory Commission created

1 under ORS 431A.890 and the Prescription Monitoring Program Prescribing Practices Review Sub-
 2 committee established under ORS 431A.896, shall develop, through the use of prescription monitoring
 3 information, criteria by which a practitioner may be required to receive education or training on
 4 the prescribing of opioids or opiates.

5 (2) Criteria developed under subsection (1) of this section must include:

6 (a) Prescribing a high volume of opioids or opiates classified in schedules II and III;

7 (b) Prescribing an above-average amount of doses of opioids or opiates classified in schedules
 8 II and III to a high number of patients; and

9 (c) Simultaneously prescribing opioids or opiates classified in schedules II and III with other
 10 drugs classified in schedules II and III.

11 (3) In developing the criteria developed under subsection (1) of this section, the *[authority]* **de-**
 12 **partment** must take into consideration the total quantity and volume of opioids and opiates classi-
 13 fied in schedules II and III prescribed by each practitioner.

14 (4) The subcommittee may review, through the use of prescription monitoring information that
 15 does not identify a patient, a practitioner's prescribing history for the three years immediately pre-
 16 ceding the date of the review to determine whether a practitioner meets the criteria developed un-
 17 der subsection (1) of this section.

18 (5) After performing the review described in subsection (4) of this section, the subcommittee may
 19 direct the *[authority]* **department** to provide to a practitioner who meets the criteria developed
 20 under subsection (1) of this section educational information about prescribing opioids and opiates,
 21 as determined appropriate by the *[authority]* **department**.

22 (6)(a) For the purposes of evaluating prescriptions made by practitioners of opioids and opiates
 23 and other controlled substances, the subcommittee may direct the *[authority]* **department** to com-
 24 pare the prescriptions described in this paragraph between similarly situated practitioners and to
 25 provide the comparative information to practitioners who meet criteria established by the subcom-
 26 mittee.

27 (b) The subcommittee may adopt rules to carry out this subsection, including rules to establish
 28 criteria to determine to which practitioners to provide the information described in this subsection.

29 (7) Prescription monitoring information used for purposes of this section and the data created
 30 through the use of prescription monitoring information pursuant to this section:

31 (a) Are confidential and not subject to public disclosure under ORS 192.311 to 192.478; and

32 (b) Are not admissible as evidence in a civil or criminal proceeding.

33 **SECTION 899.** ORS 432.010 is amended to read:

34 432.010. (1) There is established in the Oregon *[Health Authority]* **Department of Health** the
 35 Center for Health Statistics, which shall maintain, operate and advance the system of vital statistics
 36 throughout this state in cooperation with appropriate units of county government. The Center for
 37 Health Statistics shall be responsible for the proper administration of the system of vital statistics
 38 and for the preservation and security of its official records.

39 (2) In order to promote and maintain nationwide uniformity in the system of vital statistics, the
 40 forms for reports and records required by this chapter and the rules adopted under this chapter must
 41 include, at a minimum, the items recommended by the federal agency responsible for national vital
 42 statistics.

43 (3) Each report, record and other document required by this chapter shall be on a form or in a
 44 format prescribed by the State Registrar of the Center for Health Statistics.

45 (4) All records shall contain the date of registration.

1 (5) Information required in forms, reports or records authorized by this chapter may be submit-
2 ted, verified, registered and stored by photographic, electronic or other means as prescribed by the
3 state registrar.

4 **SECTION 900.** ORS 432.015 is amended to read:

5 432.015. The State Registrar of the Center for Health Statistics, under the supervision of the
6 Director of the Oregon [*Health Authority*] **Department of Health**, shall adopt rules in accordance
7 with ORS chapter 183 that are necessary to the installation and efficient performance of an ade-
8 quate system of vital statistics.

9 **SECTION 901.** ORS 432.020 is amended to read:

10 432.020. The Director of the Oregon [*Health Authority*] **Department of Health** shall appoint the
11 State Registrar of the Center for Health Statistics who shall qualify in accordance with standards
12 of education and experience as the director shall determine.

13 **SECTION 902.** ORS 432.025 is amended to read:

14 432.025. The State Registrar of the Center for Health Statistics, with the approval of the Di-
15 rector of the Oregon [*Health Authority*] **Department of Health**, may appoint, when necessary, as-
16 sistant state registrars who shall be assistants to the state registrar.

17 **SECTION 903.** ORS 432.030 is amended to read:

18 432.030. (1) The State Registrar of the Center for Health Statistics shall:

19 (a) Administer and enforce the provisions of this chapter and the rules adopted under this
20 chapter, and issue orders for the efficient administration of the system of vital statistics.

21 (b) Direct and supervise the system of vital statistics and the Center for Health Statistics, and
22 be custodian of its records.

23 (c) Provide for the confidentiality and security of the system of vital statistics.

24 (d) Direct, supervise and control the activities of all persons engaged in activities pertaining to
25 the operation of the system of vital statistics.

26 (e) Develop and conduct training programs to promote uniformity of policy and procedures
27 throughout this state in matters pertaining to the system of vital statistics.

28 (f) Prescribe, furnish and distribute the forms required by this chapter or the rules adopted un-
29 der this chapter, and prescribe other means for transmission of data, including electronic trans-
30 mission of data, to accomplish the purpose of complete, accurate and timely reporting and
31 registration.

32 (g) Prepare and publish reports of vital statistics of this state and such other reports as may
33 be required by the Oregon [*Health Authority*] **Department of Health**.

34 (h) Provide to local health agencies information derived from reports and records required under
35 this chapter that the state registrar determines is necessary for local health planning and program
36 activities.

37 (i)(A) Prepare a plan to provide for the continuity of operations of the system of vital statistics
38 in the event of an emergency.

39 (B) The plan shall:

40 (i) Address, to the extent practicable, natural and man-made events that interrupt normal ac-
41 tivities of the system of vital statistics;

42 (ii) Identify essential vital statistics services; and

43 (iii) Provide guidance for maintaining essential vital statistics services.

44 (C) Components of the plan shall include:

45 (i) Alternative locations for operations;

1 (ii) Identification of essential equipment and document needs, and a plan for obtaining those
2 needs; and

3 (iii) Identification of essential staff and a means to communicate with that staff in an emergency.

4 (D) The plan is not subject to disclosure under ORS 192.311 to 192.478, except to the extent that
5 the state registrar deems necessary to implement the plan.

6 (2) The state registrar may establish or designate offices in this state to aid in the efficient ad-
7 ministration of the system of vital statistics.

8 (3) The state registrar may delegate functions and duties vested in the state registrar to em-
9 ployees of the Center for Health Statistics and to employees of an office designated under ORS
10 432.035.

11 **SECTION 904.** ORS 432.035 is amended to read:

12 432.035. (1) The State Registrar of the Center for Health Statistics shall designate for each
13 county a government employee or, to the extent allowed under state and federal law, an employee
14 of a local public health authority as defined in ORS 431.003, to act as a county registrar. In con-
15 sultation with the state registrar, each county registrar may designate one or more deputy county
16 registrars. The county registrar shall be sufficiently positioned within the county and have sufficient
17 contact with deputy county registrars to ensure compliance with this chapter and rules adopted
18 under this chapter.

19 (2) The county and deputy county registrars shall:

20 (a) Comply with all instructions of the state registrar;

21 (b) Check upon the compliance of others with the provisions of this chapter and with rules
22 adopted under this chapter; and

23 (c) Make an immediate report to the state registrar of any violation of this chapter or of a rule
24 adopted under this chapter coming to their notice by observation, upon complaint of a person or
25 otherwise.

26 (3) The Oregon [*Health Authority*] **Department of Health**, after taking into consideration
27 county needs, shall adopt rules under which a county registrar may issue certified copies of records
28 of live births or deaths that occur in the county within six months of the date of the live birth or
29 death.

30 **SECTION 905.** ORS 432.098 is amended to read:

31 432.098. (1) The Director of the Oregon [*Health Authority*] **Department of Health** shall adopt
32 by rule a form of a voluntary acknowledgment of paternity that includes the minimum requirements
33 specified by the United States Secretary of Health and Human Services. When the form is signed
34 by both biological parents and witnessed by a third party, the form establishes parentage for all
35 purposes when filed with the State Registrar of the Center for Health Statistics, provided there is
36 no second parent already named in the report of live birth. Establishment of parentage under this
37 section is subject to the provisions and the requirements in ORS 109.070. When there is no second
38 parent named on the child's record of live birth, the filing of such voluntary acknowledgment of
39 paternity form shall cause the state registrar to place the name of the parent who has signed the
40 voluntary acknowledgment of paternity form on the record of live birth of the child or, if appropri-
41 ate, establish a replacement for the record containing the name of the child's parent, as that parent
42 is named in the voluntary acknowledgment of paternity form. When signed by both parents in the
43 health care facility of the child's birth within five days after the birth, the voluntary acknowledg-
44 ment of paternity form is not a sworn document. When thus signed, a staff member of the health
45 care facility shall witness the signatures of the parents. In all other circumstances, the form is a

1 sworn document. The filing of the voluntary acknowledgment of paternity form created by this sec-
 2 tion is subject to the payment of any fees that may apply.

3 (2) The voluntary acknowledgment of paternity form must contain:

4 (a) A statement of rights and responsibilities including any rights afforded to a minor parent;

5 (b) A statement of the alternatives to and consequences of signing the acknowledgment;

6 (c) Instructions on how to file the form with the state registrar and information about any fee
 7 required;

8 (d) Lines for the Social Security numbers and addresses of the parents; and

9 (e) A statement that the rights, responsibilities, alternatives and consequences listed on the ac-
 10 knowledgment were read to the parties prior to signing the acknowledgment.

11 (3) Upon request, the state registrar shall provide a copy of any voluntary acknowledgment of
 12 paternity form to the state agency responsible for administration of the child support enforcement
 13 program created under Title IV-D of the Social Security Act. The duty imposed upon the state
 14 registrar by this section is limited to records of live birth executed and filed with the state registrar
 15 after October 1, 1995.

16 **SECTION 906.** ORS 432.141 is amended to read:

17 432.141. (1) From resources available to the Oregon [*Health Authority*] **Department of Health**,
 18 the [*authority*] **department** shall compile statistics on the total number of opioid and opiate over-
 19 doses and the total number of opioid and opiate overdose related deaths occurring in this state.

20 (2) Not less than once every three months, the [*authority*] **department** shall report to the Gov-
 21 ernor and each local health department, as defined in ORS 431.003, the statistics compiled under
 22 subsection (1) of this section.

23 (3) Not later than September 15 of each year, the [*authority*] **Oregon Department of Health**
 24 shall report to the interim committees of the Legislative Assembly related to health care, in the
 25 manner provided by ORS 192.245, the statistics compiled under subsection (1) of this section.

26 **SECTION 907.** ORS 432.228 is amended to read:

27 432.228. (1) Upon receipt of a written application to the State Registrar of the Center for Health
 28 Statistics, an adopted person 21 years of age and older born in this state shall be issued a certified
 29 copy of the person's unaltered, original and unamended record of live birth in the custody of the
 30 state registrar, with procedures, filing fees, and waiting periods as prescribed by the state registrar
 31 by rule.

32 (2) A birth parent may at any time request from the state registrar or from a voluntary adoption
 33 registry a Contact Preference Form that shall accompany a certified copy issued under subsection
 34 (1) of this section. The Contact Preference Form shall provide the following information to be com-
 35 pleted at the option of the birth parent:

36 _____
 37
 38 (a) I would like to be contacted;

39 (b) I would prefer to be contacted only through an intermediary; or

40 (c) I prefer not to be contacted at this time. If I decide later that I would like to be contacted,
 41 I will register with the voluntary adoption registry. I have completed an updated medical history
 42 and have filed it with the voluntary adoption registry. Attached is a certificate from the voluntary
 43 adoption registry verifying receipt of the updated medical history.

1 (3) A certificate from a voluntary adoption registry verifying receipt of an updated medical his-
2 tory under subsection (2) of this section shall be in a form prescribed by the Oregon [*Health Au-*
3 *thority*] **Department of Health** and shall be supplied upon request of the birth parent by the
4 voluntary adoption registry.

5 (4) When the state registrar receives a completed Contact Preference Form from a birth parent,
6 the state registrar shall match the Contact Preference Form with the adopted person's record of live
7 birth. The Contact Preference Form shall be made a part of the adopted person's record of live birth
8 when a match is made.

9 (5) A completed Contact Preference Form shall be confidential and shall be placed in a secure
10 file until a match with the adopted person's record of live birth is made and the Contact Preference
11 Form is placed in the adopted person's record.

12 (6) Only those persons who are authorized to process applications made under subsection (1) of
13 this section may process Contact Preference Forms.

14 **SECTION 908.** ORS 432.435 is amended to read:

15 432.435. (1) Except as provided in ORS 432.445 and subsection (2) of this section, the Oregon
16 [*Health Authority*] **Department of Health** shall establish fees for the services provided under this
17 chapter.

18 (2) The State Registrar of the Center for Health Statistics shall search the system of vital sta-
19 tistics and issue certified copies or other documents, as appropriate, without charge if the search
20 or issuance is:

21 (a) Requested in connection with a pending application for benefits from the United States De-
22 partment of Veterans Affairs, if proof of the application is first submitted; or

23 (b) In response to an administrative error as determined by the state registrar.

24 (3) Fees collected under this section must be deposited in the Oregon [*Health Authority*] **De-**
25 **partment of Health** Fund and are continuously appropriated to the Center for Health Statistics for
26 the purpose of administering this chapter.

27 **SECTION 909.** ORS 432.440 is amended to read:

28 432.440. The Oregon [*Health Authority*] **Department of Health** shall adopt, taking into consid-
29 eration local service needs and interests, rules to allow a county registrar to sell, within six months
30 of the date of the event occurring in the county, certified copies of records of live birth and death.

31 **SECTION 910.** ORS 432.450 is amended to read:

32 432.450. (1) The Oregon [*Health Authority*] **Department of Health** shall establish a grant pro-
33 gram for the purpose of allowing an individual who is homeless to obtain a certified copy of the
34 individual's record of live birth at a reduced rate or free of charge.

35 (2) In administering the program, the [*authority*] **department:**

36 (a) Shall award grants to state, regional and local agencies and organizations listed in ORS
37 458.528 for the purpose specified in subsection (1) of this section;

38 (b) Shall develop criteria for receiving a grant under this section and processes for applying for
39 a grant under this section;

40 (c) May require recipients of a grant to report to the [*authority*] **department** on the use of grant
41 funds; and

42 (d) Shall adopt by rule a definition for the term "individual who is homeless" that gives the term
43 the same meaning as provided in 42 U.S.C. 11302 for the terms "homeless," "homeless individual"
44 and "homeless person."

45 **SECTION 911.** ORS 432.455 is amended to read:

1 432.455. (1) There is established in the State Treasury, separate and distinct from the General
2 Fund, the Birth Certificates for Homeless Persons Fund. Interest earned by the Birth Certificates
3 for Homeless Persons Fund shall be credited to the fund. All moneys in the Birth Certificates for
4 Homeless Persons Fund are continuously appropriated to the Oregon [*Health Authority*] **Depart-**
5 **ment of Health** for purposes of ORS 432.450.

6 (2) The Birth Certificates for Homeless Persons Fund shall consist of all moneys credited to the
7 fund, including moneys appropriated or transferred to the fund by the Legislative Assembly.

8 **SECTION 912.** ORS 432.510 is amended to read:

9 432.510. (1) The Oregon [*Health Authority*] **Department of Health** shall establish a uniform,
10 statewide, population-based registry system for the collection of information determining the inci-
11 dence of cancer and benign or borderline tumors of the brain and central nervous system and re-
12 lated data. The purpose of the registry is to provide information to design, target, monitor, facilitate
13 and evaluate efforts to determine the causes or sources of cancer and benign or borderline tumors
14 among the residents of this state and to reduce the burden of cancer and benign or borderline tu-
15 mors in this state. Such efforts may include but are not limited to:

16 (a) Targeting populations in need of cancer screening services or evaluating screening or other
17 cancer control services;

18 (b) Supporting the operation of hospital registries in monitoring and upgrading the care and the
19 end results of treatment for cancer and benign or borderline tumors;

20 (c) Investigating suspected clusters or excesses of cancer and benign or borderline tumors both
21 in occupational settings and in the state's environment generally;

22 (d) Conducting studies to identify cancer hazards to the public health and cancer hazard reme-
23 dies; and

24 (e) Projecting the benefits or costs of alternative policies regarding the prevention or treatment
25 of cancer and benign or borderline tumors.

26 (2) The [*authority*] **department** shall adopt rules necessary to carry out the purposes of ORS
27 432.510 to 432.550 and 432.900, including but not limited to designating which types of cancer and
28 benign or borderline tumors of the brain and central nervous system are reportable to the statewide
29 registry, the data to be reported, the data reporting standards and format and the effective date
30 after which reporting by health care facilities, clinical laboratories and practitioners shall be re-
31 quired. When adopting rules under this subsection, the [*authority*] **department** shall, to the greatest
32 extent practicable, conform the rules to the standards and procedures established by the American
33 College of Surgeons Commission on Cancer, with the goal of achieving uniformity in the collection
34 and reporting of data.

35 (3) The [*authority*] **department** shall:

36 (a) Conduct a program of epidemiologic analyses of registry data collected under subsection (1)
37 of this section to assess control, prevention, treatment and causation of cancer and benign or
38 borderline tumors in this state; and

39 (b) Utilize the data to promote, facilitate and evaluate programs designed to reduce the burden
40 of cancer and benign or borderline tumors among the residents of Oregon.

41 (4) The [*authority*] **department** shall:

42 (a) Collaborate in studies of cancer and benign or borderline tumors with clinicians and
43 epidemiologists and publish reports on the results of such studies; and

44 (b) Cooperate with the National Institutes of Health and the Centers for Disease Control and
45 Prevention in providing incidence data for cancer and benign or borderline tumors.

1 (5) The [authority] **department** shall establish a training program for the personnel of partic-
 2 ipating health care facilities and a quality control program for data for cancer and benign or
 3 borderline tumors reported to the state registry.

4 (6) The [authority] **department** may contract with a public or private third party to:

5 (a) Operate or maintain the statewide registry; and

6 (b) Fulfill the [authority's] **department's** duties under subsections (3) to (5) of this section.

7 **SECTION 913.** ORS 432.520 is amended to read:

8 432.520. (1) Except as provided in subsection (2) of this section, any health care facility in which
 9 patients are diagnosed or provided treatment for cancer or benign or borderline tumors of the brain
 10 and central nervous system shall report each case of cancer or benign or borderline tumors of the
 11 brain and central nervous system to the Oregon [Health Authority] **Department of Health** or its
 12 authorized representative within a time period and in a format prescribed by the [authority] **de-**
 13 **partment**. The [authority] **department** may provide, at cost, reporting services to health care fa-
 14 cilities. Health care facilities may also purchase reporting services from another facility or
 15 commercial vendor. If a health care facility is unable to report in conformance with the format and
 16 standards prescribed by the [authority] **department**, the [authority] **department** may, after consul-
 17 tation with the health care facility, elect to activate its reporting service for the facility. When ac-
 18 tivated, the [authority] **department** may enter the facility, obtain the information and report it in
 19 conformance with the appropriate format and standards. In these instances, the facility shall reim-
 20 burse the [authority] **department** or its authorized representative for the cost of obtaining and re-
 21 porting the information.

22 (2) Upon application to the [authority] **department** by a health care facility, the [authority] **de-**
 23 **partment** shall grant to the health care facility an extension of time in which to meet the reporting
 24 requirements of this section. In no event shall the extension of time exceed one year from the date
 25 of application.

26 (3) Any licensed health care practitioner diagnosing or providing treatment to patients with
 27 cancer or benign or borderline tumors of the brain and central nervous system shall report each
 28 case to the [authority] **department** or its authorized representative within a time period and in a
 29 format prescribed by the [authority] **department**. Those cases diagnosed or treated at an Oregon
 30 health care facility or previously admitted to an Oregon health care facility for diagnosis or treat-
 31 ment of that instance of cancer or benign or borderline tumors of the brain and central nervous
 32 system shall be considered by the [authority] **department** to have been reported by the licensed
 33 health care practitioner.

34 (4) Any clinical laboratory diagnosing cases of cancer or benign or borderline tumors of the
 35 brain and central nervous system shall report each case to the [authority] **department** or its au-
 36 thorized representative within a time period and in a format prescribed by the [authority] **depart-**
 37 **ment**.

38 (5) For the purpose of assuring the accuracy and completeness of reported data, the [authority]
 39 **department** shall have the right to periodically review all records that would:

40 (a) Identify cases of cancer and benign or borderline tumors, the treatment of the cancer or
 41 benign or borderline tumors or the medical status of any patient identified as being treated for
 42 cancer or benign or borderline tumors; or

43 (b) Establish characteristics of the cancer or benign or borderline tumors.

44 (6) The [authority] **department** may conduct special studies of cancer morbidity and mortality.
 45 As part of such studies, registry personnel may obtain additional information that applies to a

1 patient's cancer or benign or borderline tumors and that may be in the medical record of the patient.
2 The record holder may either provide the requested information to the registry personnel or provide
3 the registry personnel access to the relevant portions of the patient's medical record. Neither the
4 [authority] **department** nor the record holder shall bill the other for the cost of providing or ob-
5 taining this information.

6 **SECTION 914.** ORS 432.530 is amended to read:

7 432.530. (1) All identifying information regarding individual patients, health care facilities and
8 practitioners reported pursuant to ORS 432.520 shall be confidential and privileged. Except as re-
9 quired in connection with the administration or enforcement of public health laws or rules, no public
10 health official, employee or agent shall be examined in an administrative or judicial proceeding as
11 to the existence or contents of data collected under the registry system for cancer and benign or
12 borderline tumors of the brain and central nervous system.

13 (2) All additional information reported in connection with a special study shall be confidential
14 and privileged and shall be used solely for the purposes of the study, as provided by ORS 413.196.
15 Nothing in this section shall prevent the Oregon [Health Authority] **Department of Health** from
16 publishing statistical compilations relating to morbidity and mortality studies that do not identify
17 individual cases or prevent use of this data by third parties to conduct research as provided by ORS
18 432.540 (1).

19 **SECTION 915.** ORS 432.540 is amended to read:

20 432.540. (1) The Oregon [Health Authority] **Department of Health** shall adopt rules under which
21 confidential data may be used by third parties to conduct research and studies for the public good.
22 Research and studies conducted using confidential data from the statewide registry must be re-
23 viewed and approved by the Committee for the Protection of Human Research Subjects established
24 in accordance with 45 C.F.R. 46.

25 (2) The [authority] **department** may enter into agreements to exchange information with other
26 registries for cancer and benign or borderline tumors of the brain and central nervous system in
27 order to obtain complete reports of Oregon residents diagnosed or treated in other states and to
28 provide information to other states regarding the residents of other states diagnosed or treated in
29 Oregon. Prior to providing information to any other registry, the [authority] **department** shall en-
30 sure that the recipient registry has comparable confidentiality protections.

31 **SECTION 916.** ORS 432.600 is amended to read:

32 432.600. (1) As used in this section:

33 (a) "Maternal mortality" means the pregnancy-related death of a person within 365 days after
34 the end of the pregnancy.

35 (b) "Severe maternal morbidity" includes pregnancy-related outcomes that result in significant
36 short-term or long-term consequences to a person's health.

37 (2) The Maternal Mortality and Morbidity Review Committee is established in the Oregon
38 [Health Authority] **Department of Health** to conduct studies and reviews of the incidence of ma-
39 ternal mortality and severe maternal morbidity and to make policy and budget recommendations to
40 reduce the incidence of maternal mortality and severe maternal morbidity in this state.

41 (3) The committee shall consist of at least 11 but not more than 15 members appointed by the
42 Governor. The Governor shall consider for membership the following individuals:

43 (a) A physician licensed under ORS chapter 677 who specializes in family medicine and whose
44 practice includes maternity care and delivery;

45 (b) A physician licensed under ORS chapter 677 who specializes in obstetrics and gynecology;

- 1 (c) A physician licensed under ORS chapter 677 who specializes in maternal fetal medicine;
- 2 (d) A licensed registered nurse who specializes in labor and delivery;
- 3 (e) A licensed registered nurse who is licensed by the Oregon State Board of Nursing as a nurse
4 practitioner specializing in nurse midwifery;
- 5 (f) A direct entry midwife licensed under ORS 687.405 to 687.495;
- 6 (g) An individual who meets criteria for a doula adopted by the [authority] **department** in ac-
7 cordance with ORS 414.665;
- 8 (h) A traditional health worker;
- 9 (i) An individual who represents a community-based organization that represents communities
10 of color and focuses on reducing racial and ethnic health disparities;
- 11 (j) An individual who represents a community-based organization that focuses on treatment of
12 mental health;
- 13 (k) An individual who represents the [authority] **department** with an expertise in the field of
14 maternal and child health;
- 15 (L) An individual who is an expert in the field of public health; and
- 16 (m) A medical examiner.
- 17 (4) In appointing members under subsection (3) of this section, the Governor shall consider
18 whether the composition of the committee is reasonably representative of this state's geographic,
19 ethnic and economic diversity.
- 20 (5) Members of the committee shall serve for terms of four years each. The Governor shall fill
21 a vacancy on the committee by making an appointment to become immediately effective for the un-
22 expired term. The Governor shall assign the initial terms of office to members so that the terms
23 expire at staggered intervals.
- 24 (6) The committee shall elect one of its members to serve as chairperson. A majority of the
25 members of the committee constitutes a quorum.
- 26 (7) The committee shall meet at times and places specified by the call of the chairperson or of
27 a majority of the members of the committee.
- 28 (8) The committee shall convene in closed, nonpublic meetings.
- 29 (9) A member of the committee is not entitled to compensation, but in the discretion of the
30 [authority] **department** may be reimbursed from funds available to the [authority] **department** for
31 actual and necessary travel and other expenses incurred by the member in the performance of the
32 member's official duties in the manner and amount provided in ORS 292.495.
- 33 (10) The [authority] **department** may adopt rules necessary for the operation of the committee.
- 34 (11) The committee shall:
- 35 (a) Study and review information relating to the incidence of maternal mortality and severe
36 maternal morbidity in this state.
- 37 (b) Examine whether social determinants of health are contributing factors to the incidence of
38 maternal mortality and severe maternal morbidity including, but not limited to:
- 39 (A) Race and ethnicity;
- 40 (B) Socioeconomic status;
- 41 (C) Domestic abuse or violence;
- 42 (D) Access to affordable housing;
- 43 (E) Access to primary and preventive health care services, oral health care services and be-
44 havioral health services for a person who is of reproductive age; and
- 45 (F) Gaps in insurance coverage postpartum or following pregnancy.

1 (12)(a) Upon request by the division of the [authority] **department** that is charged with public
 2 health functions, the following shall make available to the committee information relating to the
 3 incidence of maternal mortality and severe maternal morbidity in this state:

- 4 (A) Health care providers;
- 5 (B) Providers of social services;
- 6 (C) Health care facilities;
- 7 (D) The [authority] **department**;
- 8 (E) The Department of Human Services;
- 9 (F) Law enforcement agencies;
- 10 (G) Medical examiners; and
- 11 (H) Any other state and local agency deemed relevant by the committee.

12 (b) Information made available to the committee may include, but need not be limited to, the
 13 following:

- 14 (A) Medical records;
- 15 (B) Autopsy reports;
- 16 (C) Birth records;
- 17 (D) Death records;
- 18 (E) Social services files;
- 19 (F) Information obtained during any family interviews; and
- 20 (G) Any other data or information the committee may deem relevant in connection with mater-
 21 nal mortality and severe maternal morbidity.

22 (c) A person may not charge or collect a fee for providing information to the committee pursu-
 23 ant to this subsection.

24 (13) Notwithstanding any other law relating to sharing confidential information, all agencies of
 25 state government, as defined in ORS 174.111, are directed to assist the committee in the performance
 26 of duties of the committee and shall furnish information and advice as deemed necessary by the
 27 members of the committee.

28 (14)(a) All meetings and activities of the committee are exempt from the requirements of ORS
 29 192.610 to 192.690.

30 (b) All information obtained, created or maintained by the committee is:

- 31 (A) Confidential and exempt from disclosure under ORS 192.311 to 192.478; and
- 32 (B) Not admissible in evidence in a judicial, administrative, arbitration or mediation proceeding.

33 (c) Committee members may not be:

34 (A) Examined as to any communications to or from the committee or as to any information ob-
 35 tained or maintained by the committee; or

36 (B) Subject to an action for civil damages for affirmative actions or statements made in good
 37 faith.

38 (d) This subsection does not limit the discoverability or admissibility of any information that is
 39 available from any source other than the committee in a judicial, administrative, arbitration or me-
 40 diation proceeding.

41 (15) A person who acts in good faith in making information available to the committee under
 42 subsection (12) or (13) of this section:

43 (a) Has immunity:

44 (A) From any civil or criminal liability that might otherwise be incurred or imposed with respect
 45 to releasing the information;

1 (B) From disciplinary action taken by the person's employer with respect to releasing the in-
2 formation; and

3 (C) With respect to participating in any judicial proceeding resulting from or involving the re-
4 lease of information; and

5 (b) May not be examined as to any communications to or from the committee or as to any in-
6 formation obtained, created or maintained by the committee.

7 (16) Nothing in subsection (14) or (15) of this section may be construed to limit or restrict the
8 discoverability or admissibility of any information that is available from any person or any other
9 source independent of the meetings or activities of the committee in a civil or criminal proceeding.

10 (17)(a) The committee shall submit a biennial report in the manner provided in ORS 192.245, and
11 may include recommendations for legislation, to the interim committees of the Legislative Assembly
12 related to health care. The report submitted under this subsection must include, but is not limited
13 to, the following:

14 (A) A summary of the committee's conclusions and findings relating to maternal mortality;

15 (B) Aggregated data related to the cases of maternal mortality in this state that is not individ-
16 ually identifiable;

17 (C) A description of actions that are necessary to implement any recommendations of the com-
18 mittee to prevent occurrences of maternal mortality in this state; and

19 (D) Recommendations for allocating state resources to decrease the rate of maternal mortality
20 in this state.

21 (b) A biennial report submitted after January 2, 2021, in addition to providing the information
22 described in paragraph (a) of this subsection, must describe how the information relates to severe
23 maternal morbidity.

24 (18) The committee shall provide the report required under subsection (17) of this section to
25 health care providers and facilities, relevant state agencies and any others as the committee deems
26 necessary to reduce the incidence of maternal mortality and severe maternal morbidity.

27 **SECTION 917.** ORS 432.900 is amended to read:

28 432.900. (1) In addition to any other liability or penalty provided by law, the Director of the
29 Oregon [*Health Authority*] **Department of Health** may impose a civil penalty on any person for
30 willful failure to comply with any part of ORS 432.520. A civil penalty may be imposed against a
31 health care facility for each day compliance is refused. The penalty shall be \$50 per day for the first
32 30 days and \$500 per day thereafter. A civil penalty of \$50 may be imposed against a practitioner
33 for each day compliance is refused.

34 (2) Any amounts collected pursuant to subsection (1) of this section shall be paid into the State
35 Treasury and deposited in the General Fund.

36 (3) Civil penalties described in subsection (1) of this section shall be imposed in the manner
37 provided in ORS 183.745.

38 **SECTION 918.** ORS 432.994 is amended to read:

39 432.994. (1) The Director of the Oregon [*Health Authority*] **Department of Health** may impose
40 a civil penalty in an amount not to exceed \$10,000 for each violation described in ORS 432.993.
41 Moneys received by the [*authority*] **Oregon Department of Health** from civil penalties imposed
42 under this section shall be deposited in the General Fund and are available for general govern-
43 mental expenses.

44 (2) Civil penalties under this section shall be imposed in the manner provided in ORS 183.745.

45 **SECTION 919.** ORS 433.004 is amended to read:

- 1 433.004. (1) The Oregon [*Health Authority*] **Department of Health** shall by rule:
- 2 (a) Specify reportable diseases and when the diseases must be reported under this section;
- 3 (b) Identify those categories of persons who must report reportable diseases and the circum-
- 4 stances under which the reports must be made;
- 5 (c) Prescribe the procedures and forms for making such reports and transmitting the reports to
- 6 the [*authority*] **department**; and
- 7 (d) Prescribe measures and methods for investigating the source and controlling reportable dis-
- 8 eases.
- 9 (2) Persons required under the rules to report reportable diseases shall report to the
- 10 [*authority*] **department** or the local public health administrator as specified by the [*authority*] **de-**
- 11 **partment** by rule. A local public health administrator that receives a report under this subsection
- 12 shall transmit the report to the [*authority*] **department** as specified by the [*authority*] **department**
- 13 by rule.
- 14 (3) The [*authority*] **department** or local public health administrator may investigate a case of
- 15 a reportable disease, disease outbreak or epidemic. The investigation may include, but is not limited
- 16 to:
- 17 (a) Interviews of:
- 18 (A) The subject of a reportable disease report;
- 19 (B) Controls;
- 20 (C) Health care providers; or
- 21 (D) Employees of a health care facility.
- 22 (b) Requiring a health care provider, any public or private entity, or an individual who has in-
- 23 formation necessary for the investigation to:
- 24 (A) Permit inspection of the information by the [*authority*] **department** or local public health
- 25 administrator; and
- 26 (B) Release the information to the [*authority*] **department** or local public health administrator.
- 27 (c) Inspection, sampling and testing of real or personal property with consent of the owner or
- 28 custodian of the property or with an administrative warrant.
- 29 (4)(a) The [*authority*] **department** shall establish by rule the manner in which information may
- 30 be requested and obtained under subsection (3) of this section.
- 31 (b) Information requested may include, but is not limited to, individually identifiable health in-
- 32 formation related to:
- 33 (A) The case;
- 34 (B) An individual who may be the potential source of exposure or infection;
- 35 (C) An individual who has been or may have been exposed to or affected by the disease;
- 36 (D) Policies, practices, systems or structures that may have affected the likelihood of disease
- 37 transmission; and
- 38 (E) Factors that may influence an individual's susceptibility to the disease or likelihood of being
- 39 diagnosed with the disease.
- 40 (5) In addition to other grounds for which a state agency may exercise disciplinary action
- 41 against its licensees or certificate holders, the substantial or repeated failure of a licensee or cer-
- 42 tificate holder to report when required to do so under subsection (2) or (3) of this section shall be
- 43 cause for the exercise of any of the agency's disciplinary powers.
- 44 (6) Any person making a report or providing information under this section is immune from any
- 45 civil or criminal liability that might otherwise be incurred or imposed with respect to the making

1 of a report or providing information under this section.

2 **SECTION 920.** ORS 433.006 is amended to read:

3 433.006. (1) Except as provided in subsection (2) of this section, in response to each report of a
4 reportable disease, the local public health administrator shall ensure that investigations and control
5 measures, as prescribed by Oregon health authority rule, are conducted.

6 (2) If there has been a transfer of responsibility from a local public health authority to the
7 Oregon [*Health Authority*] **Department of Health** under ORS 431.382, the Oregon [*Health*
8 *Authority*] **Department of Health** shall ensure that investigations and control measures are con-
9 ducted, as funding allows, pursuant to rules adopted by the Oregon [*Health Authority*] **Department**
10 **of Health**.

11 **SECTION 921.** ORS 433.008 is amended to read:

12 433.008. (1)(a) Except as provided in subsection (2) of this section, information obtained by the
13 Oregon [*Health Authority*] **Department of Health** or a local public health administrator in the
14 course of an investigation of a reportable disease or disease outbreak is confidential and is exempt
15 from disclosure under ORS 192.311 to 192.478.

16 (b) Except as required for the administration or enforcement of public health laws or rules, a
17 state or local public health official or employee may not be examined in an administrative or judicial
18 proceeding about the existence or contents of a reportable disease report or other information re-
19 ceived by the [*authority*] **department** or local public health administrator in the course of an in-
20 vestigation of a reportable disease or disease outbreak.

21 (2) The [*authority*] **department** or a local public health administrator may release information
22 obtained during an investigation of a reportable disease or disease outbreak to:

23 (a) State, local or federal agencies authorized to receive the information under state or federal
24 law;

25 (b) Health care providers if necessary for the evaluation or treatment of a reportable disease;

26 (c) Law enforcement officials to the extent necessary to carry out the [*authority*] **department**
27 granted to the Public Health Director and local public health administrators under ORS 433.121,
28 433.128, 433.131, 433.138 and 433.142;

29 (d) A person who may have been exposed to a communicable disease;

30 (e) A person with information necessary to assist the [*authority*] **department** or local public
31 health administrator in identifying an individual who may have been exposed to a communicable
32 disease; and

33 (f) The individual who is the subject of the information or the legal representative of that indi-
34 vidual.

35 (3) The [*authority*] **department** or local public health administrator may release individually
36 identifiable information under subsection (2)(d) or (e) of this section only if there is clear and con-
37 vincing evidence that the release is necessary to avoid an immediate danger to other individuals or
38 to the public.

39 (4) The [*authority*] **department** or local public health administrator may release only the mini-
40 mum amount of information necessary to carry out the purpose of the release pursuant to subsection
41 (2) of this section.

42 (5) A decision not to disclose information under this subsection, if made in good faith, shall not
43 subject the entity or person withholding the information to any liability.

44 (6) Nothing in this section:

45 (a) Prevents the [*authority*] **department** or a local public health administrator from publishing

1 statistical compilations and reports relating to reportable disease investigations if the compilations
2 and reports do not identify individual cases or sources of information;

3 (b) Affects the confidentiality or admissibility into evidence of information not otherwise confi-
4 dential or privileged that is obtained from sources other than the [authority] **department**; or

5 (c) Prevents dispositions of information pursuant to ORS 192.105.

6 **SECTION 922.** ORS 433.010 is amended to read:

7 433.010. (1) No person shall willfully cause the spread of any communicable disease within this
8 state.

9 (2) Whenever the laws of this state require a person to secure a health certificate, such certif-
10 icate shall be acquired from a physician licensed by the Oregon Medical Board or the Oregon Board
11 of Naturopathic Medicine, a physician assistant licensed under ORS 677.505 to 677.525 or a nurse
12 practitioner licensed under ORS 678.375 to 678.390 in accordance with rules adopted by the Oregon
13 [Health Authority] **Department of Health**.

14 **SECTION 923.** ORS 433.012 is amended to read:

15 433.012. The Oregon [Health Authority] **Department of Health** shall provide the necessary lab-
16 oratory examinations requested by local health departments for the diagnosis of those communicable
17 diseases identified by rule of the [authority] **department** to be a reportable disease.

18 **SECTION 924.** ORS 433.017 is amended to read:

19 433.017. (1) A licensed physician, physician assistant licensed under ORS 677.505 to 677.525,
20 naturopathic physician licensed under ORS chapter 685 or nurse practitioner licensed under ORS
21 678.375 to 678.390 attending a pregnant woman in this state for conditions relating to her pregnancy
22 during the period of gestation or at the time of delivery shall, as required by rule of the Oregon
23 [Health Authority] **Department of Health**, take or cause to be taken a sample of blood of every
24 woman so attended at the time of the first professional visit or within 10 days thereafter. The blood
25 specimen obtained under this subsection must be submitted to a licensed laboratory for tests related
26 to any infectious condition which may affect a pregnant woman or fetus, as the [authority] **depart-**
27 **ment** shall by rule require, including but not limited to an HIV test as defined in ORS 433.045.

28 (2) Every other person permitted by law to attend a pregnant woman in this state, but not per-
29 mitted by law to take blood samples, shall, as required by rule of the [authority] **department**, cause
30 a sample of blood of such pregnant woman to be taken by a licensed physician, physician assistant
31 licensed under ORS 677.505 to 677.525, naturopathic physician licensed under ORS chapter 685 or
32 nurse practitioner licensed under ORS 678.375 to 678.390 and have such sample submitted to a li-
33 censed laboratory for the tests described under subsection (1) of this section.

34 (3) In all cases under subsections (1) and (2) of this section the physician, physician assistant,
35 naturopathic physician or nurse practitioner shall request consent of the patient to take a blood
36 sample. A sample may not be taken without the patient's consent.

37 **SECTION 925.** ORS 433.035 is amended to read:

38 433.035. (1)(a) The Public Health Director or a local public health administrator may require
39 testing or medical examination of any person who may have, or may have been exposed to, a
40 communicable disease identified by rule of the Oregon [Health Authority] **Department of Health** to
41 be a reportable disease, a new or uncommon disease of potential public health significance, or a
42 condition that is the basis of a state of public health emergency declared by the Governor as au-
43 thorized by ORS 433.441. The Public Health Director or the local public health administrator must
44 issue a written order for testing or medical examination pursuant to this section.

45 (b) A written order must:

1 (A) Include findings stating the communicable disease that the Public Health Director or the
2 local public health administrator believes the person has and the reasons for that belief.

3 (B) State whether medical or laboratory confirmation of the disease is feasible and possible and
4 whether such confirmation would enable control measures to be taken to minimize infection of oth-
5 ers with the disease.

6 (C) Include a statement that the person may refuse to submit to the testing or medical exam-
7 ination and that if the testing or examination is refused, the Public Health Director or the local
8 public health administrator may seek the imposition of a public health measure, including isolation
9 or quarantine pursuant to ORS 433.121 or 433.123.

10 (2) When a person is directed to submit to a test or examination under this section and the
11 person agrees to do so, the person shall submit to any testing or examination as may be necessary
12 to establish the presence or absence of the communicable disease for which the testing or exam-
13 ination was directed. The examination shall be carried out by the local health officer or a physician
14 licensed by the Oregon Medical Board or the Oregon Board of Naturopathic Medicine. A written
15 report of the results of the test or examination shall be provided to the person ordering the test or
16 examination, and upon request, to the person tested or examined. Laboratory examinations, if any,
17 shall be carried out by the laboratory of the [authority] **department** whenever the examinations are
18 within the scope of the tests conducted by the laboratory. If treatment is needed, the person or the
19 parent or guardian of the person shall be liable for the costs of treatment based on the examination
20 carried out under this section, if the person liable is able to pay the treatment costs. Cost of any
21 examination performed by a physician in private practice shall be paid from public funds available
22 to the local public health administrator, if any, or from county funds available for general govern-
23 mental expenses in the county that the local public health administrator serves or in the county
24 where the person tested or examined resides if the local public health administrator serves more
25 than one county or the test or examination was ordered by the Public Health Director or local
26 public health administrator.

27 (3) If a person has a communicable disease, a new or uncommon disease of potential public
28 health significance, or a condition that is the basis of a state of public health emergency, the Public
29 Health Director or the local public health administrator may issue an order requiring the person to
30 complete an appropriate prescribed course of medication or other treatment for the communicable
31 disease, including directly observed therapy if appropriate, and to follow infection control provisions
32 for the disease. The order shall also include statements that the person may refuse the medication
33 or other treatment and that the person's failure to comply with the order issued under this sub-
34 section may result in the Public Health Director or the local public health administrator seeking the
35 imposition of a public health measure, including isolation or quarantine as authorized by ORS
36 433.121 and 433.123.

37 (4) The Public Health Director or the local public health administrator must make every effort
38 to obtain voluntary compliance from a person for any testing, medical examination and treatment
39 required under this section.

40 (5) Any action taken by the Public Health Director or the local public health administrator un-
41 der this section to compel testing, medical examination or treatment of a person who has a
42 communicable disease, a new or uncommon disease of potential public health significance, or a
43 condition that is the basis of a state of public health emergency must be the least restrictive alter-
44 native available to accomplish the results necessary to minimize the transmission of the disease to
45 others.

1 **SECTION 926.** ORS 433.040 is amended to read:

2 433.040. (1) As used in this section, “vaccine” includes vaccines, immune products and
3 chemoprophylactic medications.

4 (2) When the State Health Officer of the Oregon [*Health Authority*] **Department of Health** de-
5 termines that there is clear evidence that adverse and avoidable health outcomes from a preventable
6 and acute communicable disease are expected to affect identifiable categories of high-risk individuals
7 throughout Oregon and that assistance with the administration of vaccine is warranted due to a
8 vaccine shortage to protect or treat such individuals, the health officer shall implement the Oregon
9 Vaccine Education and Prioritization Plan as provided in subsection (3) of this section.

10 (3) The [*authority*] **department** shall develop and adopt by rule the Oregon Vaccine Education
11 and Prioritization Plan to protect the public health during a vaccine shortage. The plan shall consist
12 of:

13 (a) Guidelines for physicians, naturopathic physicians, nurses, hospitals, health systems, phar-
14 macies and others that hold vaccines for the distribution and administration of vaccines. The
15 guidelines shall include, but are not limited to, a definition of high-risk groups for priority protection
16 or treatment in the event a vaccine shortage is imminent;

17 (b) Rules for imposing a civil penalty of \$500 against persons who knowingly violate the guide-
18 lines for each repeat violation of the guidelines; and

19 (c) Procedures for:

20 (A) Mobilizing public and private health resources to assist in vaccine distribution and admin-
21 istration; and

22 (B) Notifying health professional regulatory boards and licensing authorities of repeated vio-
23 lations of the guidelines by health professionals regulated by the board or licensed by the licensing
24 [*authority*] **department**.

25 (4) If the Oregon [*Health Authority*] **Department of Health** adopts temporary rules to implement
26 subsection (2) of this section, the rules adopted are not subject to the requirements of ORS 183.335
27 (6)(a). The [*authority*] **department** may amend the temporary rules adopted pursuant to subsection
28 (3) of this section as often as is necessary to respond to a vaccine shortage.

29 **SECTION 927.** ORS 433.055 is amended to read:

30 433.055. (1) The Oregon [*Health Authority*] **Department of Health** shall conduct studies of the
31 prevalence of the HIV infection in this state. The [*authority*] **department** shall report findings to
32 the Oregon Public Health Advisory Board, the Conference of Local Health Officials, the Emergency
33 Board and other interested bodies at regular intervals, commencing in January 1988. The
34 [*authority*] **department** may cause the prevalence study of persons sentenced to the Department of
35 Corrections of this state, as defined in ORS 421.005, to be made.

36 (2) Prior consent to HIV antibody testing need not be obtained from an individual if the test is
37 for the purpose of research as authorized by the [*authority*] **Oregon Department of Health** and if
38 the testing is performed in a manner by which the identity of the test subject is not known, and
39 may not be retrieved by the researcher.

40 **SECTION 928.** ORS 433.060 is amended to read:

41 433.060. As used in ORS 433.060 to 433.080 unless the context requires otherwise:

42 [(1) “*Authority*” means the Oregon Health Authority.]

43 [(2)] (1) “Health care facility” means a facility as defined in ORS 442.015 and a mental health
44 facility, alcohol treatment facility or drug treatment facility licensed or operated under ORS chapter
45 426 or 430.

1 [(3)] (2) “Hepatitis test” means a test of an individual for the presence of hepatitis B or C or for
2 any other substance specifically indicating the presence of hepatitis B or C.

3 [(4)] (3) “HIV test” means a test of an individual for the presence of human immunodeficiency
4 virus (HIV), or for antibodies or antigens that result from HIV infection, or for any other substance
5 specifically indicating infection with HIV.

6 [(5)] (4) “Licensed health care provider” or “health care provider” means a person licensed or
7 certified to provide health care under ORS chapter 677, 678, 679, 680, 684 or 685 or ORS 682.216,
8 or under comparable statutes of any other state.

9 [(6)] (5) “Local public health administrator” means the local public health administrator, as de-
10 fined in ORS 431.003, for the jurisdiction in which the reported substantial exposure occurred.

11 [(7)] (6) “Local public health officer” means the local health officer, as described in ORS 431.418,
12 of the county or district health department for the jurisdiction in which the substantial exposure
13 occurred.

14 [(8)] (7) “Occupational exposure” means a substantial exposure of a worker in the course of the
15 worker’s occupation.

16 [(9)] (8) “Source person” means a person who is the source of the blood or body fluid in the
17 instance of a substantial exposure of another person.

18 [(10)] (9) “Substantial exposure” means an exposure to blood or certain body fluids as defined
19 by rule of the [authority] **Oregon Department of Health** to have a potential for transmitting the
20 human immunodeficiency virus based upon current scientific information.

21 [(11)] (10) “Worker” means a person who is licensed or certified to provide health care under
22 ORS chapters 677, 678, 679, 680, 684 or 685 or ORS 682.216, an employee of a health care facility,
23 of a licensed health care provider or of a clinical laboratory, as defined in ORS 438.010, a firefighter,
24 a law enforcement officer, as defined in ORS 414.805, a corrections officer or a parole and probation
25 officer.

26 **SECTION 929.** ORS 433.065 is amended to read:

27 433.065. (1) The Oregon [Health Authority] **Department of Health** shall by rule prescribe pro-
28 cedures:

29 (a) Whereby a worker who has experienced an occupational exposure may request or cause to
30 be requested the source person’s voluntary consent to an HIV test;

31 (b) Whereby a person who, while being administered health care, has experienced a substantial
32 exposure from a worker shall be given notice of such exposure and be given opportunity to request
33 or cause to be requested the worker’s voluntary consent to an HIV test; and

34 (c) Whereby a person who has experienced a substantial exposure shall be offered information
35 about HIV infection, methods of preventing HIV infection and HIV tests.

36 (2) Rules prescribing procedures under subsection (1)(a) of this section may require the partic-
37 ipation or intervention of the health care facility and licensed health care provider providing care
38 to the source person and may require the further participation or intervention of the local public
39 health administrator or local public health officer.

40 (3) Where the source person under subsection (1)(a) of this section is not known to be under the
41 care of a health care facility or provider or cannot be located, and in the case of procedures under
42 subsection (2) of this section, the rules may require the participation and intervention of the local
43 public health administrator.

44 (4) The rules under this section may also include, but need not be limited to, time frames within
45 which the notice and other procedures are to be performed and by whom, prescribed forms for re-

1 porting of exposures, and for recording of results of procedures undertaken and restrictions upon
 2 disclosure of such reports and records only to specific persons.

3 (5) If the source person is deceased, the source person's next of kin may provide voluntary
 4 consent under this section.

5 **SECTION 930.** ORS 433.080 is amended to read:

6 433.080. When the Oregon [*Health Authority*] **Department of Health** declares by rule that
 7 mandatory testing of source persons could help a defined class of workers from being infected or
 8 infecting others with the human immunodeficiency virus, the following apply:

9 (1) When a source person, after having been first requested to consent to testing by rules
 10 adopted under ORS 433.065, has refused or within a time period prescribed by rule of the
 11 [*authority*] **department** has failed to submit to the requested test, except when the exposed person
 12 has knowledge that the exposed person has a history of a positive HIV test, the exposed person may
 13 seek mandatory testing of the source person by filing a petition with the circuit court for the county
 14 in which the exposure occurred. The form for the petition shall be as prescribed by the [*authority*]
 15 **department** and shall be obtained from the local public health department or the Oregon [*Health*
 16 *Authority*] **Department of Health** if there has been a transfer of responsibility under ORS 431.382.

17 (2) The petition shall name the source person as the respondent and shall include a short and
 18 plain statement of facts alleging:

19 (a) The petitioner is a worker subjected to an occupational exposure or a person who has been
 20 subjected to a substantial exposure by a worker administering health care and the respondent is the
 21 source person;

22 (b) The petitioner is in the class of workers defined by rule of the [*authority*] **department** under
 23 this section;

24 (c) All procedures for obtaining the respondent's consent to an HIV test by rules adopted under
 25 ORS 433.065 have been exhausted by the petitioner and the respondent has refused to consent to the
 26 test, or within the time period prescribed by rule of the [*authority*] **department** has failed to submit
 27 to the test;

28 (d) The petitioner has no knowledge that the petitioner has a history of a positive HIV test and
 29 has since the exposure, within a time period prescribed by rule of the [*authority*] **department**, sub-
 30 mitted a specimen from the petitioner for an HIV test; and

31 (e) The injury that petitioner is suffering or will suffer if the source person is not ordered to
 32 submit to an HIV test.

33 (3) The petition shall be accompanied by the certificate of the local public health administrator
 34 or State Health Officer if there has been a transfer of responsibility under ORS 431.382 declaring
 35 that, based upon information in the possession of the administrator, the facts stated in the
 36 allegations under subsection (2)(a), (b) and (c) of this section are true.

37 (4) Upon the filing of the petition, the court shall issue a citation to the respondent stating the
 38 nature of the proceedings, the statutes involved and the relief requested and, that if the respondent
 39 does not appear at the time and place for hearing stated in the citation, that the court will order
 40 the relief requested in the petition.

41 (5) The citation shall be served on the respondent together with a copy of the petition by the
 42 county sheriff or deputy. The person serving the citation and petition shall, immediately after ser-
 43 vice thereof, make a return showing the time, place and manner of such service and file it with the
 44 clerk of the court.

45 (6) The hearing shall be held within three days of the service of the citation upon the respond-

1 ent. The court may for good cause allow an additional period of 48 hours if additional time is re-
 2 quested by the respondent.

3 (7) Both the petitioner and the local public health administrator or State Health Officer if there
 4 has been a transfer of responsibility under ORS 431.382 certifying to the matter alleged in the pe-
 5 tition shall appear at the hearing. The hearing of the case shall be informal with the object of re-
 6 solving the issue before the court promptly and economically between the parties. The parties shall
 7 be entitled to subpoena witnesses, to offer evidence and to cross-examine. The judge may examine
 8 witnesses to insure a full inquiry into the facts necessary for a determination of the matter before
 9 the court.

10 (8) After hearing all of the evidence, the court shall determine the truth of the allegations con-
 11 tained in the petition. The court shall order the respondent to submit to the requested test by a
 12 licensed health care provider without delay if, based upon clear and convincing evidence, the court
 13 finds that:

14 (a) The allegations in the petition are true;

15 (b) The injury the petitioner is suffering or will suffer is an injury that only the relief requested
 16 will adequately remedy; and

17 (c) The interest of the petitioner in obtaining the relief clearly outweighs the privacy interest
 18 of the respondent in withholding consent.

19 (9) If the court does not make the finding described in subsection (8) of this section, the court
 20 shall dismiss the petition.

21 (10) Failure to obey the order of the court shall be subject to contempt proceedings pursuant
 22 to law.

23 **SECTION 931.** ORS 433.090 is amended to read:

24 433.090. As used in ORS 433.090 to 433.102:

25 (1) "Authorized user" means a person or entity authorized to provide information to or to re-
 26 ceive information from an immunization registry or tracking and recall system under ORS 433.090
 27 to 433.102. "Authorized user" includes, but is not limited to:

28 (a) The Oregon [*Health Authority*] **Department of Health** and its agents;

29 (b) Local health departments and their agents;

30 (c) Licensed health care providers and their agents;

31 (d) Health care institutions;

32 (e) Insurance carriers;

33 (f) State health plans as defined in ORS 192.556;

34 (g) Parents, guardians or legal custodians of children under 18 years of age;

35 (h) Clients 18 years of age or older;

36 (i) Post-secondary education institutions;

37 (j) Schools; and

38 (k) Children's facilities.

39 (2) "Children's facility" has the meaning given that term in ORS 433.235.

40 (3) "Client" means a person registered with any Oregon tracking and recall system.

41 (4) "Immunization record" includes but is not limited to records of the following:

42 (a) Any immunization received;

43 (b) Date immunization was received;

44 (c) Complication or side effect associated with immunization;

45 (d) Date and place of birth of a client;

- 1 (e) Hospital where a client was born;
- 2 (f) Client's name; and
- 3 (g) Mother's name.
- 4 (5) "Immunization registry" means a listing of clients and information relating to their immu-
- 5 nization status, without regard to whether the registry is maintained in this state or elsewhere.
- 6 (6) "Local health department" has the meaning given that term in ORS 431.003.
- 7 (7) "Parent or guardian" has the meaning given the term "parent" in ORS 433.235.
- 8 (8) "Post-secondary education institution" means:
- 9 (a) A public university listed in ORS 352.002;
- 10 (b) A community college operated under ORS chapter 341;
- 11 (c) A school or division of Oregon Health and Science University; or
- 12 (d) An Oregon-based, generally accredited, private institution of higher education.
- 13 (9) "Provider" means a physician or a health care professional who is acting within the scope
- 14 of the physician's or professional's licensure and is responsible for providing immunization services
- 15 or for coordinating immunization services within a clinic, public health site, school or other immu-
- 16 nization site.
- 17 (10) "School" has the meaning given that term in ORS 433.235.
- 18 (11) "Tracking and recall record" means information needed to send reminder cards to, place
- 19 telephone calls to or personally contact the client or the parent or guardian of a client for the
- 20 purposes of informing the client, parent or guardian that the client is late in receiving recommended
- 21 immunizations, hearing or lead screenings, or other public health interventions, including but not
- 22 limited to the client's:
- 23 (a) Name;
- 24 (b) Address;
- 25 (c) Telephone number;
- 26 (d) Insurance carrier; and
- 27 (e) Health care provider.
- 28 (12) "Tracking and recall system" means a system attached to an immunization registry designed
- 29 to contact clients listed in the immunization registry for the purposes of assisting in the timely
- 30 completion of immunization series, hearing or lead screenings, or other public health interventions
- 31 designated by rule of the [authority] **Oregon Department of Health**.
- 32 **SECTION 932.** ORS 433.094 is amended to read:
- 33 433.094. (1) The Oregon [Health Authority] **Department of Health**, a local health department,
- 34 or both, or their agents or other providers may develop an immunization registry and an associated
- 35 tracking and recall system.
- 36 (2) The immunization registry and tracking and recall system shall include, but not be limited
- 37 to, the following:
- 38 (a) Registering all clients born in, living in or receiving services in this state;
- 39 (b) Tracking and updating immunization histories of the registered clients;
- 40 (c) Allowing a provider, the [authority] **Oregon Department of Health** or a local health de-
- 41 partment to provide information to and obtain information from the immunization records contained
- 42 in the immunization registry, and the tracking and recall records contained in the tracking and re-
- 43 call system, without the consent of the client or the parent or guardian of the client;
- 44 (d) Allowing an immunization record of a client who is under the care of an authorized user or
- 45 enrolled in an authorized user's program to be released to the authorized user;

1 (e) Notifying in writing the parent or guardian of a client, at least through five years of age,
2 when the tracking and recall system indicates that a client has missed a scheduled immunization;

3 (f) Integrating with any immunization registry and its associated tracking and recall systems;
4 and

5 (g) Working with health care providers to develop information transfer systems.

6 (3) The immunization registry and tracking and recall system may allow information to be re-
7 leased to an authorized user from an immunization record or a tracking and recall record for pur-
8 poses including, but not limited to:

9 (a) Outreach to clients under the care of the authorized user or enrolled in the authorized user's
10 program who have missed immunizations, hearing or lead screenings, or other public health inter-
11 ventions designated by rule of the [authority] **department**; or

12 (b) Public health assessment and evaluation related to immunizations and vaccine-preventable
13 diseases conducted by the [authority] **Oregon Department of Health** or by a local health depart-
14 ment for clients within the local health department's jurisdiction.

15 **SECTION 933.** ORS 433.095 is amended to read:

16 433.095. The Oregon [Health Authority] **Department of Health** shall adopt rules requiring den-
17 tists and pharmacists to report information about the administration of vaccines to the immunization
18 registry created under ORS 433.094.

19 **SECTION 934.** ORS 433.100 is amended to read:

20 433.100. (1) The Oregon [Health Authority] **Department of Health** shall adopt rules pertaining
21 to the development and implementation of the immunization registries and associated tracking and
22 recall systems. The rules must include a process that allows a client who is 18 years of age or older,
23 a custodial parent or guardian to control the transfer of information from the client's immunization
24 record or tracking and recall record when such control is necessary to protect the health or safety
25 of the family or the client.

26 (2) Nothing in this section requires the consent of a parent or guardian prior to enrolling the
27 child in the registry or restricts the registry from providing information from a tracking and recall
28 record to a custodial parent or guardian.

29 (3)(a) Pursuant to rules adopted by the [authority] **department**, the [authority] **department** may
30 charge fees to authorized users, except hospitals, schools and individual health care providers, for
31 services requested from an immunization registry, including associated tracking and recall systems
32 maintained by the [authority] **department**. Authorized users may make voluntary contributions to
33 the [authority] **department** to help support the operation of an immunization registry established
34 under ORS 433.094.

35 (b) Fees authorized under paragraph (a) of this subsection may be assessed only against managed
36 care organizations, health maintenance organizations, physician organizations and insurance carri-
37 ers that are using the information from the registries for quality improvement activities for their
38 privately insured patients.

39 (c) All moneys received by the [authority] **department** under this section shall be paid into the
40 State Treasury and placed in the General Fund to the credit of the Public Health Account. Such
41 moneys are continuously appropriated to the [authority] **department** and shall be used only for the
42 administration and enforcement of ORS 433.090 to 433.102.

43 **SECTION 935.** ORS 433.103 is amended to read:

44 433.103. (1) The Oregon [Health Authority] **Department of Health** shall adopt rules requiring
45 an entity that administers vaccines and receives vaccines from the [authority] **department** to:

1 (a) Report information about the administration of the vaccine to the immunization registry
2 created under ORS 433.094; and

3 (b) At least once every two years, certify that employees of the entity have completed a training
4 session approved by the [authority] **department** on the storage, handling and administration of
5 vaccines. The [authority] **department** may not require more than two employees of an entity to
6 complete the training session.

7 (2) The [authority] **department** shall adopt rules exempting an entity from the requirements of
8 subsection (1)(b) of this section if the entity demonstrates to the satisfaction of the [authority] **de-**
9 **partment** that the entity or a health licensing board imposes adequate training requirements on
10 employees of the entity.

11 (3) The [authority] **department** shall consider methods of facilitating the redistribution of un-
12 used vaccines.

13 **SECTION 936.** ORS 433.110 is amended to read:

14 433.110. Every physician, physician assistant, naturopathic physician or nurse attending a per-
15 son affected with any communicable disease shall use all precautionary measures to prevent the
16 spread of the disease as the Oregon [Health Authority] **Department of Health** may prescribe by
17 rule.

18 **SECTION 937.** ORS 433.140 is amended to read:

19 433.140. (1) The expenses incurred under ORS 433.128, when properly certified by the local
20 public health administrator, shall be paid by the person who is isolated or quarantined, when the
21 person is able to pay the expenses.

22 (2) The Oregon [Health Authority] **Department of Health** may provide general assistance and
23 medical assistance for the person who is isolated or quarantined, on the basis of need, provided that
24 no payment shall be made for the care of any such person in or under the care of any public insti-
25 tution, except as provided in ORS 411.439 and 411.447, or public agency or municipality.

26 **SECTION 938.** ORS 433.220 is amended to read:

27 433.220. (1) If upon inspection pursuant to ORS 433.216, there is discovered among the passen-
28 gers or goods being transported by any public or private conveyance the existence of any
29 communicable disease or toxic substance that presents a substantial threat to public health, the
30 Public Health Director, under rules of the Oregon [Health Authority] **Department of Health**, may:

31 (a) Issue an order for testing, medical examination or treatment under ORS 433.035.

32 (b) Isolate or quarantine such persons or goods in accordance with ORS 433.121, 433.123 or
33 433.142.

34 (c) Require the passengers and persons conveying materials to follow the [authority's]
35 **department's** rules for the control of the specific communicable disease or prevention of harm to
36 the public health from the toxic substance.

37 (d) Offer free immunization in those diseases to which such prophylactic treatment is applicable
38 to all persons exposed in any conveyance.

39 (2) Should any question arise as to the existence of any emergency, the Public Health Director
40 shall have final jurisdiction.

41 **SECTION 939.** ORS 433.235, as amended by section 17, chapter 27, Oregon Laws 2022, is
42 amended to read:

43 433.235. As used in ORS 433.235 to 433.284:

44 (1) "Administrator" means the principal or other person having general control and supervision
45 of a school or children's facility.

(2) “Children’s facility” or “facility” means:

(a) A certified child care facility as described in ORS 329A.250 to 329A.450, except as exempted by rule of the Oregon [*Health Authority*] **Department of Health**;

(b) A program operated by, or sharing the premises with, a certified child care facility, school or post-secondary institution where care is provided to children, six weeks of age to kindergarten entry, except as exempted by rule of the [*authority*] **department**; or

(c) A program providing child care or educational services to children, six weeks of age to kindergarten entry, in a residential or nonresidential setting, except as exempted by rule of the [*authority*] **department**.

(3) “Local health department” has the meaning given that term in ORS 431.003.

(4) “Parent” means a parent or guardian of a child or any adult responsible for the child.

(5) “Physician” means a physician licensed by the Oregon Medical Board or by the Oregon Board of Naturopathic Medicine or a physician similarly licensed by another state or country in which the physician practices or a commissioned medical officer of the Armed Forces or Public Health Service of the United States.

(6) “School” means a public, private, parochial, charter or alternative educational program offering kindergarten through grade 12 or any part thereof, except as exempted by rule of the [*authority*] **Oregon Department of Health**.

SECTION 940. ORS 433.245 is amended to read:

433.245. (1) The Director of the Oregon [*Health Authority*] **Department of Health** shall appoint a committee to advise the Oregon [*Health Authority*] **Department of Health** on the administration of the provisions of ORS 433.235 to 433.284, including the adoption of rules pursuant to ORS 433.269 (2), 433.273, 433.282 and 433.283.

(2) Members of the committee appointed pursuant to subsection (1) of this section shall include, but need not be limited to, representatives of the Oregon [*Health Authority*] **Department of Health**, the Department of Human Services, the Department of Education, public, private and parochial schools, children’s facilities, institutions of post-secondary education, education service districts, local health departments, the boards of county commissioners or county courts and the public.

SECTION 941. ORS 433.255 is amended to read:

433.255. Except in strict conformity with the rules of the Oregon [*Health Authority*] **Department of Health**, no child or employee shall be permitted to be in any school or children’s facility when:

- (1) That child or employee has any restrictable disease;
- (2) That child or employee comes from any house in which exists any restrictable disease; or
- (3) That child has been excluded as provided in ORS 433.267 (5) or (7).

SECTION 942. ORS 433.260 is amended to read:

433.260. (1) Whenever any administrator has reason to suspect that any child or employee has or has been exposed to any restrictable disease and is required by the rules of the Oregon [*Health Authority*] **Department of Health** to be excluded from a school or children’s facility, the administrator shall send such person home and, if the disease is one that must be reported to the [*authority*] **department**, report the occurrence to the local health department by the most direct means available.

(2) Any person excluded under subsection (1) of this section may not be permitted to be in the school or facility until the person presents a certificate from a physician, physician assistant licensed under ORS 677.505 to 677.525, nurse practitioner licensed under ORS 678.375 to 678.390, local health department nurse or school nurse stating that the person does not have or is not a carrier

1 of any restrictable disease.

2 **SECTION 943.** ORS 433.267 is amended to read:

3 433.267. (1) As a condition of attendance in any school or children's facility in this state, every
4 child through grade 12 shall submit to the administrator, unless the school or facility the child at-
5 tends already has on file a record that indicates that the child has received immunizations against
6 the restrictable diseases prescribed by rules of the Oregon [*Health Authority*] **Department of**
7 **Health** as provided in ORS 433.273, one of the following:

8 (a) A document signed by the parent, a practitioner of the healing arts who has within the scope
9 of the practitioner's license the authority to administer immunizations or a representative of the
10 local health department certifying the immunizations the child has received;

11 (b) A document signed by a physician or a representative of the local health department stating
12 that the child should be exempted from receiving specified immunization because of indicated med-
13 ical diagnosis; or

14 (c) A document, on a form prescribed by the [*authority*] **Oregon Department of Health** by rule
15 and signed by the parent of the child, stating that the parent is declining one or more immunizations
16 on behalf of the child. A document submitted under this paragraph:

17 (A) May include the reason for declining the immunization, including whether the parent is de-
18 clining the immunization because of a religious or philosophical belief; and

19 (B) Must include either:

20 (i) A signature from a health care practitioner verifying that the health care practitioner has
21 reviewed with the parent information about the risks and benefits of immunization that is consistent
22 with information published by the Centers for Disease Control and Prevention and the contents of
23 the vaccine educational module approved by the [*authority*] **department** pursuant to rules adopted
24 under ORS 433.273; or

25 (ii) A certificate verifying that the parent has completed a vaccine educational module approved
26 by the [*authority*] **department** pursuant to rules adopted under ORS 433.273.

27 (2)(a) A newly entering child or a transferring child shall be required to submit the document
28 described in subsection (1) of this section prior to attending the school or facility.

29 (b) Notwithstanding paragraph (a) of this subsection, a child transferring from a school in the
30 United States must submit the document required by subsection (1) of this section not later than the
31 exclusion date set by rule of the [*authority*] **department**.

32 (3) Persons who have been emancipated pursuant to ORS 419B.558 or who have reached the age
33 of consent for medical care pursuant to ORS 109.640 may sign those documents on their own behalf
34 otherwise requiring the signatures of parents under subsection (1) of this section.

35 (4) The administrator shall conduct a primary evaluation of the records submitted pursuant to
36 subsection (1) of this section to determine whether the child is entitled to begin attendance by rea-
37 son of having submitted a document that complies with the requirements of subsection (1) of this
38 section.

39 (5) If the records do not meet the initial minimum requirements established by rule, the child
40 may not be allowed to attend until the requirements are met. If the records meet the initial minimum
41 requirements, the child shall be allowed to attend.

42 (6) At the time specified by the [*authority*] **department** by rule, records for children meeting the
43 initial minimum requirements and records previously on file shall be reviewed for completion of re-
44 quirements by the administrator to determine whether the child is entitled to continue in attend-
45 ance. If the records do not comply, the administrator shall notify the local health department and

1 shall transmit any records concerning the child's immunization status to the local health depart-
2 ment.

3 (7) The local health department shall provide for a secondary evaluation of the records to de-
4 termine whether the child should be excluded for noncompliance with the requirements stated in
5 subsection (1) of this section. If the child is determined to be in noncompliance, the local health
6 department shall issue an exclusion order and shall send copies of the order to the parent or the
7 person who is emancipated or has reached the age of majority and the administrator. On the effec-
8 tive date of the order, the administrator shall exclude the child from the school or facility and not
9 allow the child to attend the school or facility until the requirements of this section have been met.

10 (8) The administrator shall readmit the child to the school or facility when in the judgment of
11 the local health department the child is in compliance with the requirements of this section.

12 (9) The administrator shall be responsible for updating the document described in subsection
13 (1)(a) of this section as necessary to reflect the current status of the immunization of the child and
14 the time at which the child comes into compliance with immunizations against the restrictable dis-
15 eases prescribed by rules of the [authority] **Oregon Department of Health** pursuant to ORS 433.273.

16 (10) Nothing in this section shall be construed as relieving agencies, in addition to school dis-
17 tricts, which are involved in the maintenance and evaluation of immunization records on April 27,
18 1981, from continuing responsibility for these activities.

19 (11) All documents required by this section shall be on forms approved or provided by the [au-
20 thority] **department**.

21 (12) In lieu of signed documents from practitioners, the [authority] **department** may accept im-
22 munization record updates using practitioner documented immunization records generated by elec-
23 tronic means or on unsigned practitioner letterhead if the [authority] **department** determines such
24 records are accurate.

25 (13) As used in this section:

26 (a) "Newly entering child" means a child who is initially attending:

27 (A) A facility in this state;

28 (B) A school at the entry grade level;

29 (C) Either a school at any grade level or a facility from homeschooling; or

30 (D) A school at any grade level or a facility after entering the United States from another
31 country.

32 (b) "Transferring child" means a child moving from:

33 (A) One facility to another facility;

34 (B) One school in this state to another school in this state when the move is not the result of
35 a normal progression of grade level; or

36 (C) A school in another state to a school in this state.

37 **SECTION 944.** ORS 433.269 is amended to read:

38 433.269. (1) A local public health authority shall ensure that immunizations required under ORS
39 433.282 and 433.283 and the rules adopted pursuant to ORS 433.273 for attendance at a school,
40 children's facility or post-secondary educational institution are available through local health care
41 providers or the local public health authority or its contractors:

42 (a) To the entire population of the area served by the local public health authority in convenient
43 areas and at convenient times.

44 (b) Regardless of whether a child or student is able to pay for the immunization.

45 (2)(a) Each local public health authority, school and children's facility shall report annually to

1 the Oregon [*Health Authority*] **Department of Health** on:

2 (A) The number of children in the area served by the local public health authority, school or
3 children’s facility; and

4 (B) The number of children in the area served by the local public health authority, school or
5 children’s facility who are susceptible to restrictable disease as prescribed by **rule of** the Oregon
6 [*Health Authority’s rules*] **Department of Health** pursuant to ORS 433.273.

7 (b) Each school and children’s facility shall report annually to the Oregon [*Health Authority*]
8 **Department of Health** on the number of children in the area served by the school or children’s
9 facility who are in attendance at the school or children’s facility conditionally because of an in-
10 complete immunization schedule.

11 (c) Each local public health authority shall make available to each school and children’s facility
12 in the area served by the local public health authority data on the immunization rate, by disease,
13 of children in the area. Upon request, the Oregon [*Health Authority*] **Department of Health** shall
14 assist local public health authorities in compiling data for purposes of this paragraph.

15 (d) A child exempted under ORS 433.267 is susceptible to restrictable disease for purposes of this
16 subsection.

17 (3)(a) For the purpose of providing parents with the information necessary to protect their
18 children’s health, each school and children’s facility shall make available the information reported
19 and received by the school and children’s facility pursuant to subsection (2) of this section:

20 (A) At the main office of the school or children’s facility;

21 (B) On the school’s or school district’s website or on the children’s facility’s website, if avail-
22 able; and

23 (C) To the parents of the children who attend the school or children’s facility, in the form of a
24 paper document or electronic communication that includes the information in a clear and easy to
25 understand manner.

26 (b) The information required to be made available under paragraph (a) of this subsection must
27 be made available at the beginning of each school year and not later than one month after the date
28 that children may be excluded as provided by ORS 433.267.

29 (4) The administrator of a school or children’s facility shall maintain immunization records of
30 children, including children who are in attendance at the school or children’s facility conditionally
31 because of an incomplete immunization schedule and children who are exempted as described in ORS
32 433.267 (1)(b) and (c).

33 **SECTION 945.** ORS 433.271 is amended to read:

34 433.271. The Oregon [*Health Authority*] **Department of Health** may not purchase or distribute
35 a pediatric vaccine necessary for school entry immunization requirements if the vaccine contains
36 thimerosal, unless thimerosal is detectable only in trace amounts or no other vaccine for the same
37 purpose is commercially available in a form that does not contain thimerosal. The [*authority*] **de-**
38 **partment** may purchase and distribute a pediatric vaccine that contains thimerosal if no other
39 vaccine for the same purpose is commercially available in a form that does not contain thimerosal.

40 **SECTION 946.** ORS 433.273 is amended to read:

41 433.273. The Oregon [*Health Authority*] **Department of Health** shall adopt rules pertaining to
42 the implementation of ORS 433.235 to 433.284, which shall include, but need not be limited to:

43 (1) The definition of “restrictable” disease;

44 (2) The required immunization against diseases;

45 (3) The time schedule for immunization;

- 1 (4) The approved means of immunization;
- 2 (5) The procedures and time schedule whereby children may be excluded from attendance in
3 schools or children's facilities under ORS 433.267 (1)(b) and (c), provided that the [authority] **de-**
4 **partment** includes as part of those procedures service of notice to parents;
- 5 (6) The manner in which immunization records for children are established, evaluated and
6 maintained;
- 7 (7) Exemptions for schools and children's facilities, including exemptions from the reporting re-
8 quirements of ORS 433.269 (2) and exemptions from the requirement under ORS 433.269 (3) to make
9 information available;
- 10 (8) The implementation of ORS 433.282 and 433.283;
- 11 (9) The process for approving a vaccine educational module;
- 12 (10) Criteria for a vaccine educational module, including the requirement that a vaccine educa-
13 tional module present information that is consistent with information published by the Centers for
14 Disease Control and Prevention concerning:
- 15 (a) Epidemiology;
- 16 (b) The prevention of disease through the use of vaccinations; and
- 17 (c) The safety and efficacy of vaccines; and
- 18 (11) Documentation required to verify completion of a vaccine educational module, including the
19 qualifications of persons who may certify the completion.
- 20 **SECTION 947.** ORS 433.281 is amended to read:
- 21 433.281. (1) As used in this section, "post-secondary institution of education" means:
- 22 (a) A public university listed in ORS 352.002;
- 23 (b) A community college operated under ORS chapter 341; or
- 24 (c) An Oregon-based, generally accredited, private institution of higher education.
- 25 (2) Each post-secondary institution of education that provides housing for students shall provide
26 to each student enrolling or registering at the institution for the first time information on vaccine-
27 preventable diseases known to occur in individuals between 16 and 21 years of age, including:
- 28 (a) The signs and symptoms associated with, and options for treating, vaccine-preventable dis-
29 eases known to occur in individuals between 16 and 21 years of age;
- 30 (b) The circumstances that create a risk of acquiring a vaccine-preventable disease known to
31 occur in individuals between 16 and 21 years of age, including the circumstance of living in group
32 quarters;
- 33 (c) Recommendations by the Centers for Disease Control and Prevention with respect to vac-
34 cines recommended to be categorized as category A or category B by the federal Advisory Com-
35 mittee on Immunization Practices, and vaccines recognized as category A or category B by the
36 Centers for Disease Control and Prevention;
- 37 (d) Any additional information on the availability, benefits and risks and limitations of vaccines
38 for vaccine-preventable diseases known to occur in individuals between 16 and 21 years of age, as
39 determined by the institution; and
- 40 (e) Information on where to receive a vaccination.
- 41 (3) At a minimum, information provided under subsection (2) of this section must cover
42 vaccine-preventable diseases for which the Centers for Disease Control and Prevention recommend
43 vaccination for individuals between 16 and 21 years of age.
- 44 (4) In developing information on vaccine-preventable diseases under this section, a post-
45 secondary institution of education shall consult the Oregon [Health Authority] **Department of**

1 **Health** or the Centers for Disease Control and Prevention.

2 (5) If a post-secondary institution of education provides electronic enrollment or registration for
3 students enrolling or registering at the institution for the first time, the institution shall provide the
4 information required by this section electronically at the time of enrollment or registration.

5 (6) This section does not create a private right of action against a post-secondary institution of
6 education.

7 **SECTION 948.** ORS 433.282 is amended to read:

8 433.282. (1) The Oregon [*Health Authority*] **Department of Health** may require each post-
9 secondary educational institution, except a community college or a career school, to require, using
10 procedures developed by the institution, each full-time student to be immunized, as required for
11 children attending school pursuant to rules adopted by the [*authority*] **department** under ORS
12 433.273, before the student's second quarter or semester of enrollment on the campus of the insti-
13 tution.

14 (2) Notwithstanding subsection (1) of this section, the [*authority*] **department** may require each
15 post-secondary educational institution, except a community college or a career school, to document,
16 using procedures developed by the institution, that each full-time student has been immunized, as
17 required for children attending school pursuant to rules adopted by the [*authority*] **department** un-
18 der ORS 433.273, before the student attends classes if the student will be attending the institution
19 pursuant to a nonimmigrant visa.

20 (3) The [*authority*] **department** by rule shall establish immunization schedules for purposes of
21 this section.

22 (4) The [*authority*] **department** by rule may limit the students and programs to which the re-
23 quirements of this section apply.

24 (5) The [*authority*] **department** may conduct validation surveys to ensure compliance with the
25 requirements of this section.

26 **SECTION 949.** ORS 433.283 is amended to read:

27 433.283. (1) The Oregon [*Health Authority*] **Department of Health** may require each community
28 college to require that students involved in clinical experiences in allied health programs, practicum
29 experiences in education and child care programs and membership on intercollegiate sports teams
30 have current immunizations for measles prior to each student's participation. The requirement shall
31 apply only to those students born on or after January 1, 1957.

32 (2) The Higher Education Coordinating Commission by rule shall define clinical experiences in
33 allied health programs, practicum experiences in education and child care programs and membership
34 on intercollegiate sports teams at the community colleges. The Oregon [*Health Authority*] **Depart-**
35 **ment of Health** by rule shall establish immunization schedules and may further limit the students
36 and programs to which the requirement applies. Each community college shall develop procedures
37 to implement and maintain this requirement.

38 (3) The [*authority*] **department** may conduct validation surveys to ensure compliance with this
39 section. Community colleges shall be required to keep immunization records only while the student
40 is involved in the program.

41 **SECTION 950.** ORS 433.285 is amended to read:

42 433.285. (1) It hereby is declared to be a matter of public policy of the State of Oregon that in
43 the interest of public health and the prevention of mental retardation, every infant, shall be given
44 tests approved by the Oregon [*Health Authority*] **Department of Health** for the detection of the
45 disease of phenylketonuria and other metabolic diseases.

1 (2) The [authority] **department** by rule shall specify the diseases for which infants shall be
 2 tested under subsection (1) of this section, the appropriate time following delivery for collecting
 3 specimens, the manner in which the specimens are to be submitted, the persons responsible for
 4 submitting the specimens, the methods of testing and the manner of payment of the fees.

5 (3) The testing required by subsection (1) of this section shall not be required if the infant is
 6 being reared as an adherent to a religion the teachings of which are opposed to such testing. The
 7 person responsible for submitting specimens under the rules of the [authority] **department** shall be
 8 responsible for submitting a statement signed by the infant's parent that the infant is being so
 9 reared. The [authority] **department** by rule shall prescribe the form of the statement.

10 (4) The [authority] **department** shall adopt by rule a procedure whereby the fees established
 11 under subsection (2) of this section shall be waived and no infant refused service because of the
 12 parent's inability to pay the fee.

13 (5) The [authority] **department** by rule shall prescribe the procedure to be followed in cases
 14 where initial testing for metabolic diseases is administered too early to detect these diseases, where
 15 the sample submitted for testing is improperly collected and where a sample shows an abnormal
 16 result. The [authority] **department**, within the limits of funds available from fees collected under
 17 this section, shall institute a pilot program for follow-up on abnormal test results.

18 **SECTION 951.** ORS 433.290 is amended to read:

19 433.290. (1) The Legislative Assembly finds that many newborn children are given their first
 20 tests for metabolic diseases too early for the detection of these diseases because parents remove
 21 these newborn infants from the hospital before the optimum testing period commences. To assure
 22 proper first testing and follow-up testing and increase knowledge about the nature and results of
 23 these diseases, the Oregon [Health Authority] **Department of Health** shall institute and carry on
 24 an intensive educational program among physicians, naturopathic physicians, hospitals, public health
 25 nurses, the parents of newborn children and the public concerning the disease of phenylketonuria
 26 and other metabolic diseases. This educational program shall include information concerning:

27 (a) The nature of these diseases; and

28 (b) Examinations for the detection of these diseases in infancy in order that measures may be
 29 taken to prevent the mental retardation resulting from these diseases.

30 (2) The [authority] **department** shall make a special effort specifically to inform expectant par-
 31 ents and parents of newborn children of the necessity of newborn infants receiving appropriate tests
 32 within the optimum time range after birth to prevent the mental retardation or other serious com-
 33 plications resulting from these diseases.

34 **SECTION 952.** ORS 433.295 is amended to read:

35 433.295. (1) All physicians, public health nurses and the administrators of hospitals shall report
 36 the discovery of cases of phenylketonuria to the Oregon [Health Authority] **Department of**
 37 **Health.**

38 (2) The [authority] **department** shall furnish forms that all physicians, public health nurses and
 39 hospitals shall use to report to the [authority] **department** the test results for phenylketonuria.

40 **SECTION 953.** ORS 433.298 is amended to read:

41 433.298. (1) The Oregon [Health Authority] **Department of Health** shall compile information on
 42 the following:

43 (a) The transmission of congenital cytomegalovirus;

44 (b) The signs and symptoms of and methods of diagnosing congenital cytomegalovirus;

45 (c) The potential complications associated with congenital cytomegalovirus; and

1 (d) Treating and managing congenital cytomegalovirus.

2 (2) The [authority] **department** shall disseminate the information described in subsection (1) of
3 this section to hospitals, birthing centers, diagnostic facilities that conduct newborn hearing
4 screening tests, health care providers and the public. The [authority] **department** must disseminate
5 the information through print publications. The [authority] **department** also may disseminate the
6 information through electronic publications, video productions or any other method determined to
7 be cost-effective by the [authority] **department**.

8 **SECTION 954.** ORS 433.299 is amended to read:

9 433.299. (1) The Newborn Bloodspot Screening Advisory Board is established in the Oregon
10 [Health Authority] **Department of Health**.

11 (2) The board consists of 13 voting members appointed by the Director of the Oregon [Health
12 Authority] **Department of Health** as follows:

13 (a) One member who is a person affected by a disorder included in the newborn screening panel
14 or a family member of a person affected by a disorder included in the newborn screening panel;

15 (b) One member who is a licensed physician who by contract provides expert medical advice and
16 consulting services to the Northwest Regional Newborn Bloodspot Screening Program;

17 (c) One member who is a representative of Medicaid or the insurance industry;

18 (d) Two members who are representatives of birthing centers or hospitals;

19 (e) One member who is a representative of an entity that contracts with the Northwest Regional
20 Newborn Bloodspot Screening Program for newborn bloodspot screening services;

21 (f) Three members who are representatives of advocacy associations regarding newborns with
22 medical conditions or rare disorders;

23 (g) One member who is a representative of a statewide association of nurses;

24 (h) One member who is a representative of a statewide association of midwives; and

25 (i) Two members who are representatives of a statewide association of pediatricians.

26 (3) In addition to the requirements provided in subsection (2) of this section, one or more of the
27 following professions must be represented as a voting member of the board:

28 (a) Neonatal intensive care specialist;

29 (b) Licensed physician or nurse practitioner who is board certified in obstetrics, pediatrics or
30 neonatology;

31 (c) Obstetrician or gynecologist;

32 (d) Nurse;

33 (e) Ethicist;

34 (f) Geneticist;

35 (g) Dietician; and

36 (h) Educator.

37 (4) To the greatest extent practicable, the director shall appoint members from a diverse range
38 of socioeconomic, racial and ethnic backgrounds.

39 (5) In addition to the 13 voting members provided for in subsection (2) of this section, members
40 of the Legislative Assembly or employees of the Oregon [Health Authority] **Department of Health**
41 may serve as nonvoting members.

42 (6) The term of office of each voting member of the board is four years, but a member serves
43 at the pleasure of the director. Before the expiration of the term of a member, the director shall
44 appoint a successor whose term begins on July 1 next following. A member is eligible for reap-
45 pointment. If there is a vacancy for any cause, the director shall make an appointment to become

1 immediately effective for the unexpired term.

2 (7) A voting member of the board is entitled to compensation and expenses as provided in ORS
3 292.495.

4 (8) The board shall select two of its members to jointly serve as chairpersons and another as
5 vice chairperson, for terms and with duties and powers necessary for the performance of the func-
6 tions of the offices as the board determines. One chairperson must be a voting member and the other
7 chairperson must be the manager of the Northwest Regional Newborn Bloodspot Screening Program
8 or the manager's designee. The manager or manager's designee must be a nonvoting member.

9 (9) A majority of the voting members of the board constitutes a quorum for the transaction of
10 business.

11 (10) The board shall meet at least once every six months at a time and place determined by the
12 board. The board also may meet at other times and places specified by the call of one or both
13 chairpersons or of a majority of the voting members of the board.

14 (11) The board shall report its findings and recommendations for legislative changes to the
15 committees or interim committees of the Legislative Assembly related to health in the manner pro-
16 vided under ORS 192.245 no later than September 15 of each even-numbered year.

17 **SECTION 955.** ORS 433.301 is amended to read:

18 433.301. (1) As used in this section, "community" means a geographic region, county, tribe or
19 other group of individuals living in proximity as defined by the Oregon [*Health Authority*] **Depart-**
20 **ment of Health** by rule.

21 (2) The [*authority*] **department** shall design, implement and maintain a voluntary statewide
22 program to provide universal newborn nurse home visiting services to all families with newborns
23 residing in this state to support healthy child development and strengthen families. The [*authority*]
24 **department** shall design the universal newborn nurse home visiting program to be flexible so as to
25 meet the needs of the communities where the program operates.

26 (3) In designing the program described in subsection (2) of this section, the [*authority*] **depart-**
27 **ment** shall consult, coordinate and collaborate, as necessary, with insurers that offer health benefit
28 plans in this state, hospitals, local public health authorities, the Early Learning Division, existing
29 early childhood home visiting programs, community-based organizations and social service providers.

30 (4) The program must provide nurse home visiting services that are:

31 (a) Based on criteria established by the United States Department of Health and Human Ser-
32 vices for an evidence-based early childhood home visiting service delivery model;

33 (b) Provided by registered nurses licensed in this state to families caring for newborns up to the
34 age of six months, including foster and adoptive newborns;

35 (c) Provided in the family's home; and

36 (d) Aimed at improving outcomes in one or more of the following domains:

37 (A) Child health;

38 (B) Child development and school readiness;

39 (C) Family economic self-sufficiency;

40 (D) Maternal health;

41 (E) Positive parenting;

42 (F) Reducing child mistreatment;

43 (G) Reducing juvenile delinquency;

44 (H) Reducing family violence; or

45 (I) Reducing crime.

- 1 (5) The services provided in the program must:
- 2 (a) Be voluntary and carry no negative consequences for a family that declines to participate;
- 3 (b) Be offered in every community in this state;
- 4 (c) Include an evidence-based assessment of the physical, social and emotional factors affecting
- 5 the family;
- 6 (d) Be offered to all families with newborns residing in the community where the program op-
- 7 erates;
- 8 (e) Include at least one visit during a newborn's first three months of life with the opportunity
- 9 for the family to choose up to three additional visits;
- 10 (f) Include a follow-up visit no later than three months after the last visit; and
- 11 (g) Provide information and referrals to address each family's identified needs.

12 (6) The [authority] **Oregon Department of Health** shall collect and analyze data generated by

13 the program to assess the effectiveness of the program in meeting the aims described in subsection

14 (4)(d) of this section and shall work with other state agencies to develop protocols for sharing data,

15 including the timely sharing of data with primary care providers of care to the families with new-

16 borns receiving the services.

17 (7) In collaboration with the Department of Consumer and Business Services, the [authority]

18 **Oregon Department of Health** shall adopt by rule, consistent with the provisions of this section,

19 criteria for universal newborn nurse home visiting services that must be covered by health benefit

20 plans in accordance with ORS 743A.078.

21 **SECTION 956.** ORS 433.301, as amended by section 59, chapter 631, Oregon Laws 2021, and

22 section 2, chapter 94, Oregon Laws 2022, is amended to read:

23 433.301. (1) As used in this section, "community" means a geographic region, county, tribe or

24 other group of individuals living in proximity as defined by the Oregon [Health Authority] **Depart-**

25 **ment of Health** by rule.

26 (2) The [authority] **department** shall design, implement and maintain a voluntary statewide

27 program to provide universal newborn nurse home visiting services to all families with newborns

28 residing in this state to support healthy child development and strengthen families. The [authority]

29 **department** shall design the universal newborn nurse home visiting program to be flexible so as to

30 meet the needs of the communities where the program operates.

31 (3) In designing the program described in subsection (2) of this section, the [authority] **depart-**

32 **ment** shall consult, coordinate and collaborate, as necessary, with insurers that offer health benefit

33 plans in this state, hospitals, local public health authorities, the Department of Early Learning and

34 Care, existing early childhood home visiting programs, community-based organizations and social

35 service providers.

36 (4) The program must provide nurse home visiting services that are:

- 37 (a) Based on criteria established by the United States Department of Health and Human Ser-
- 38 vices for an evidence-based early childhood home visiting service delivery model;
- 39 (b) Provided by registered nurses licensed in this state to families caring for newborns up to the
- 40 age of six months, including foster and adoptive newborns;
- 41 (c) Provided in the family's home; and
- 42 (d) Aimed at improving outcomes in one or more of the following domains:
- 43 (A) Child health;
- 44 (B) Child development and school readiness;
- 45 (C) Family economic self-sufficiency;

- 1 (D) Maternal health;
2 (E) Positive parenting;
3 (F) Reducing child mistreatment;
4 (G) Reducing juvenile delinquency;
5 (H) Reducing family violence; or
6 (I) Reducing crime.
- 7 (5) The services provided in the program must:
8 (a) Be voluntary and carry no negative consequences for a family that declines to participate;
9 (b) Be offered in every community in this state;
10 (c) Include an evidence-based assessment of the physical, social and emotional factors affecting
11 the family;
12 (d) Be offered to all families with newborns residing in the community where the program op-
13 erates;
14 (e) Include at least one visit during a newborn's first three months of life with the opportunity
15 for the family to choose up to three additional visits;
16 (f) Include a follow-up visit no later than three months after the last visit; and
17 (g) Provide information and referrals to address each family's identified needs.
- 18 (6) The [authority] **Oregon Department of Health** shall collect and analyze data generated by
19 the program to assess the effectiveness of the program in meeting the aims described in subsection
20 (4)(d) of this section and shall work with other state agencies to develop protocols for sharing data,
21 including the timely sharing of data with primary care providers of care to the families with new-
22 borns receiving the services.
- 23 (7) In collaboration with the Department of Consumer and Business Services, the [authority]
24 **Oregon Department of Health** shall adopt by rule, consistent with the provisions of this section:
25 (a) Criteria for universal newborn nurse home visiting services that must be covered by health
26 benefit plans in accordance with ORS 743A.078; and
27 (b) The amount of reimbursement to be paid to a provider of universal newborn nurse home
28 visiting services or a methodology to reimburse the cost of providing universal newborn nurse home
29 visiting services, in accordance with ORS 743A.078.
- 30 (8) The [authority] **department** may prescribe by rule any reasonable reimbursement methodol-
31 ogy including, but not limited to, any of the following:
32 (a) Value-based payments;
33 (b) A claim invoicing process;
34 (c) Capitated payments;
35 (d) A reimbursement methodology that takes into account the need for a community-based entity
36 providing universal newborn nurse home visiting services to expand the entity's capacity to provide
37 the services and address health disparities; or
38 (e) Any other methodology agreed to by a carrier and the provider of the universal newborn
39 nurse home visiting services.
- 40 **SECTION 957.** ORS 433.312 is amended to read:
41 433.312. (1) The Oregon [Health Authority] **Department of Health**, in consultation with the
42 Oregon Pediatric Society, shall establish by rule the appropriate dosage of vitamin K to be admin-
43 istered pursuant to ORS 433.306 and the most effective procedures for administering vitamin K.
44 (2) The [authority] **department**, in cooperation with the licensing boards established in ORS
45 chapters 677, 684 and 685, shall notify the licensing boards' licensees of rules established under this

1 section. The [authority] **department** also shall notify any association of midwives.

2 **SECTION 958.** ORS 433.314 is amended to read:

3 433.314. The Oregon [Health Authority] **Department of Health** shall institute and carry on an
4 educational program among physicians licensed under ORS 677.100 to 677.228, naturopathic physi-
5 cians, chiropractors, midwives, potential parents and the public concerning the need for newborn
6 infants to receive vitamin K within 24 hours after birth.

7 **SECTION 959.** ORS 433.318 is amended to read:

8 433.318. (1) As used in this section, “birthing facility” means a health care facility, as defined
9 in ORS 442.015, that provides services related to the delivery of newborns.

10 (2) The Oregon [Health Authority] **Department of Health** shall adopt rules requiring birthing
11 facilities located in this state to perform a pulse oximetry screening on each newborn delivered at
12 the birthing facility before discharging the newborn.

13 **SECTION 960.** ORS 433.321 is amended to read:

14 433.321. (1) In all Oregon hospitals and birthing centers where more than 200 live births occur
15 per year, each newborn child must receive a newborn hearing screening test. A hospital or birthing
16 center shall attempt to conduct the test required under this subsection prior to the discharge of the
17 newborn child from the facility.

18 (2) All Oregon hospitals and birthing centers where fewer than 200 live births occur per year
19 shall provide the parent or guardian of a newborn child with the appropriate information furnished
20 by the Oregon [Health Authority] **Department of Health** concerning the importance of newborn
21 hearing screening tests.

22 (3) All Oregon hospitals and birthing centers conducting newborn hearing screening tests,
23 within 10 days of conducting a newborn hearing screening test, shall:

24 (a) Notify the parent or guardian and the health care provider of the newborn child of the test
25 results;

26 (b) Provide the parent or guardian with names and contact information for diagnostic facilities
27 that conduct newborn hearing screening tests in the community and with materials developed pur-
28 suant to ORS 433.298; and

29 (c) Report to the [authority] **department** the results of the test for the newborn child and in-
30 formation identifying the newborn child.

31 (4) A diagnostic facility conducting newborn hearing screening tests, within 10 days of con-
32 ducting a newborn hearing screening test, shall report to the [authority] **department** the results of
33 the test for the newborn child and information identifying the newborn child. If a diagnostic facility
34 conducting newborn hearing screening tests detects hearing loss in a newborn child, the diagnostic
35 facility shall provide to the parent or guardian materials developed pursuant to ORS 433.298.

36 (5) Each public and private educational institution that provides early intervention services as
37 defined in ORS 343.035 shall disclose to the [authority] **department** information identifying the
38 children referred to the educational institution with diagnosed hearing loss and the enrollment sta-
39 tus of the children. The institution may disclose to the [authority] **department** additional informa-
40 tion regarding children with hearing loss who are receiving early intervention services if the
41 educational institution has obtained consent to disclose the information.

42 (6) The [authority] **department**, in collaboration with the Child Development and Rehabilitation
43 Center of the Oregon Health and Science University, shall, on an annual basis, provide to all Oregon
44 hospitals and birthing centers the following information:

45 (a) A description of the responsibilities created by this section;

1 (b) A list of appropriate screening devices and descriptions of training protocols to ensure that
2 staff members are adequately trained in the use of hearing screening equipment;

3 (c) A list of diagnostic facilities that conduct newborn hearing screening tests;

4 (d) Using evidence-based best practice standards, a recommended schedule for conducting new-
5 born hearing screening tests, and for referring parents and guardians to health care providers for
6 the purpose of diagnosing whether the newborn child has congenital cytomegalovirus, within 21 days
7 of the newborn child's date of birth;

8 (e) A list of public and private educational institutions that provide early intervention services
9 and a description of the geographic area served by each institution; and

10 (f) Other information related to newborn hearing screening tests that the [authority] **Oregon**
11 **Department of Health** deems appropriate.

12 (7) A hospital or birthing center described in subsection (1) of this section is exempt from pro-
13 viding newborn hearing screening tests if the parent or guardian of the newborn child objects to the
14 testing procedure on the grounds that the procedure conflicts with the religious tenets and practices
15 of the parent or guardian. The parent or guardian must sign a statement that the newborn child
16 is being reared in accordance with those religious tenets and practices.

17 (8) A newborn child may not be refused the procedure described in subsection (1) of this section
18 because of an inability of the parent or guardian to pay for the procedure.

19 **SECTION 961.** ORS 433.323 is amended to read:

20 433.323. (1) As used in this section:

21 (a) "Newborn hearing screening test registry" means a listing of newborn children and infor-
22 mation related to their newborn hearing screening tests.

23 (b) "Tracking and recall system" means a system attached to the newborn hearing screening test
24 registry designed to contact the parent or guardian of a newborn child listed in the newborn hearing
25 screening test registry for the purposes of assisting in testing and in enrollment of the newborn
26 child in early intervention services in a timely manner.

27 (2) The Oregon [Health Authority] **Department of Health** shall implement a newborn hearing
28 screening test registry and tracking and recall system. The registry and system shall include, but
29 are not limited to, the following:

30 (a) Information on the results of newborn hearing screening tests performed at Oregon hospitals,
31 birthing centers and diagnostic facilities.

32 (b) Notification of the parent or guardian and the health care provider of a newborn child and
33 of the local public health authority, as defined in ORS 431.003, of the county in which the parent
34 or guardian resides when the system indicates that a newborn child has not received a newborn
35 hearing screening test, has been referred to a diagnostic facility for a diagnostic evaluation but has
36 not received the evaluation or has been diagnosed with hearing loss but has not been enrolled in
37 an educational institution providing early intervention services.

38 (3) The Oregon [Health Authority] **Department of Health** shall adopt rules:

39 (a) Implementing this section and ORS 433.321;

40 (b) Ensuring the privacy of individuals about whom information is collected pursuant to this
41 section and ORS 433.321; and

42 (c) Specifying the forms to be used by hospitals, birthing centers, diagnostic facilities and edu-
43 cational institutions to provide the information required under this section and ORS 433.321.

44 (4) The [authority] **department** shall analyze the information collected under this section to
45 determine the efficacy of this section and ORS 433.321 in identifying hearing loss in the newborn

1 child population and enrolling newborn children in early intervention services.

2 (5) The [authority] **department** shall issue an annual report detailing the results of newborn
3 hearing screening tests, diagnostic evaluations and participation in early intervention services.

4 (6) The [authority] **department** shall implement the newborn hearing screening test registry
5 within existing resources. The [authority] **department** may accept contributions of funds and as-
6 sistance from the United States Government or its agencies or from any other source, public or
7 private, and agree to conditions not inconsistent with the purposes of the registry.

8 **SECTION 962.** ORS 433.326 is amended to read:

9 433.326. The purpose of ORS 433.321, 433.323 and 433.327 and section 4, chapter 240, Oregon
10 Laws 2003, is to waive the requirement of authorization to disclose information from, or provide
11 information to, the record of a newborn child in the newborn hearing screening test registry and to
12 waive confidentiality in regard to this information. The waiver allows providers, the Oregon [Health
13 Authority] **Department of Health** and local health departments and their agents, parents or
14 guardians and diagnostic facilities to share information from the newborn hearing screening test
15 registry without violating confidentiality. The newborn hearing screening test registry and the as-
16 sociated tracking and recall system are designed to increase early and appropriate intervention to
17 minimize delays in developing language skills by the children of this state.

18 **SECTION 963.** ORS 433.329 is amended to read:

19 433.329. Any representative of a religious denomination, householder, nurse, parent, guardian
20 or other person attending to, or in any way having knowledge of the existence of a case of
21 pulmonary tuberculosis, including the affected person, must immediately report the fact to the
22 Oregon [Health Authority] **Department of Health**. The names and addresses of all persons reported
23 as having pulmonary tuberculosis shall be recorded with the [authority] **department**.

24 **SECTION 964.** ORS 433.332 is amended to read:

25 433.332. The Oregon [Health Authority] **Department of Health** shall, upon receiving a report
26 that any person has tuberculosis, make such investigation of the case as is necessary to determine
27 whether or not the person reported has communicable tuberculosis. Upon finding that any person
28 has communicable tuberculosis, the [authority] **department** shall exercise such control over the af-
29 fected person and contacts with other persons as may be necessary for the protection of the public
30 health, pursuant to its rules and regulations. In exercising such control over any person who has
31 communicable tuberculosis the [authority] **department** may make such rules or orders governing
32 such person's conduct as are necessary to prevent the spread of the disease.

33 **SECTION 965.** ORS 433.345 is amended to read:

34 433.345. (1) If an animal bites a person and the bite causes a break in the skin, or if an animal
35 is suspected of rabies or has been in close contact with an animal suspected of rabies, the facts shall
36 be immediately reported to the local health officer by any person having direct knowledge.

37 (2) The Oregon [Health Authority] **Department of Health**, in consultation with the State De-
38 partment of Agriculture, shall promulgate rules relating to the handling and disposition of animals
39 that have bitten a person or are suspected of rabies or that have been in close contact with an
40 animal suspected of rabies. Such rules may include requirements for confinement, isolation and in-
41 oculated. Owners or persons in possession of animals subject to such rules, shall handle or dispose
42 or allow the handling or disposal of such animals strictly in accordance with such rules.

43 **SECTION 966.** ORS 433.350 is amended to read:

44 433.350. When confinement and observation of an animal for purposes of determining infection
45 with rabies will not avoid the necessity of the application of painful or possibly dangerous preven-

1 tative treatment to a person who has been bitten or scratched by such animal, the Director of the
2 Oregon [*Health Authority*] **Department of Health** may order possession of the animal to be imme-
3 diately relinquished to the director or to the authorized representative of the director and may order
4 the animal destroyed for examination of its bodily tissues.

5 **SECTION 967.** ORS 433.355 is amended to read:

6 433.355. (1) In the event of the refusal of the owner or person in possession of an animal to
7 comply with an order of the Director of the Oregon [*Health Authority*] **Department of Health** under
8 ORS 433.350, the director or the authorized representative of the director may petition the circuit
9 court of the county in which such animal is located for an order requiring such owner or person to
10 comply with such order.

11 (2) The petition shall be verified and shall set forth the facts relative to the refusal to comply
12 with the order. A copy of the petition shall be served upon the owner or person in possession of the
13 animal in the manner provided for service of summons in civil actions. Such owner or person in
14 possession shall appear and answer the petition at a time and place set by the court in an order, a
15 copy of which shall be served with the petition, directing the defendant to appear at such time and
16 place, and to then and there show cause, if any, why an order directing compliance with the order
17 of the director should not be granted. The time set by the court for the hearing to show cause shall
18 be made with due regard for the circumstances of the person or persons who have been subjected
19 to the bite or scratch of the animal and whose health or life may be in jeopardy.

20 (3) If the owner or person in possession fails to appear or the court either with or without such
21 appearance finds the allegations of the petition are true and the order of the director is necessary
22 under ORS 433.350, the court shall enter its order requiring the owner or person in possession of
23 such animal to comply with the order of the director.

24 (4) The sheriff of the county in which the animal is located shall execute such order by serving
25 upon the owner or person in possession a copy thereof duly certified to by the clerk of the circuit
26 court and by enforcing the provisions thereof.

27 **SECTION 968.** ORS 433.360 is amended to read:

28 433.360. (1) Whenever a case of animal rabies occurs, the fact shall be reported to the Director
29 of the Oregon [*Health Authority*] **Department of Health** and to the State Department of Agriculture
30 immediately.

31 (2) The department, in consultation with the Oregon [*Health Authority*] **Department of**
32 **Health**, shall establish a quarantine pursuant to ORS chapter 596 if the [*department and the au-*
33 *thority*] **State Department of Agriculture and the Oregon Department of Health** find that a
34 quarantine is necessary.

35 (3) [*The department and the authority*] **Either department** may contract with counties for the
36 purpose of carrying out the provisions of ORS 433.350, 433.355 and subsection (2) of this section.

37 **SECTION 969.** ORS 433.365 is amended to read:

38 433.365. (1) A dog that has permanent canine teeth or that is six months of age or older must
39 be inoculated against rabies, unless specifically exempted by rule of the Oregon [*Health Authority*]
40 **Department of Health** or the State Department of Agriculture.

41 (2) Unless pursuant to conditions specified in ORS 430.357, any rules of the [*department or the*
42 *authority*] **State Department of Agriculture or the Oregon Department of Health** with respect
43 to inoculation shall:

44 (a) Not apply to animals brought temporarily into the state for periods of less than 30 days but
45 may require that the animals be kept under strict supervision by the owners of the animals.

1 (b) Not apply to dogs or to any other animal specifically exempted from the inoculation re-
2 quirement by rule of the [department or the authority] **State Department of Agriculture or the**
3 **Oregon Department of Health.**

4 (3) The costs of all such required inoculations shall be borne by the owners of the animal.

5 **SECTION 970.** ORS 433.367 is amended to read:

6 433.367. The Oregon [Health Authority] **Department of Health** shall be responsible for devel-
7 opment and coordination of vaccination clinics at sufficient and reasonable times at various lo-
8 cations throughout the state for the inoculation of dogs against rabies. Costs of vaccination shall
9 be borne by the dog owner.

10 **SECTION 971.** ORS 433.370 is amended to read:

11 433.370. Every veterinarian inoculating an animal against rabies shall supply to the owner evi-
12 dence of inoculation which shall consist of a certificate issued and signed by the veterinarian. The
13 form of the certificate shall be prescribed by the Oregon [Health Authority] **Department of**
14 **Health.**

15 **SECTION 972.** ORS 433.375 is amended to read:

16 433.375. (1) The owner of the animal shall present by mail or otherwise the inoculation certif-
17 icate, together with the fee fixed pursuant to ORS 433.380, if any, to the clerk of the county in which
18 the owner resides.

19 (2) The county shall upon receipt of the fee and presentation of the certificate issue to the
20 owner a serial-numbered tag, legibly identifying its expiration date as such date is determined in
21 accordance with rules of the Oregon [Health Authority] **Department of Health** relating to intervals
22 of inoculation. The tag shall be designed for and shall be attached to a collar or harness that must
23 be worn by the dog for which the tag and certificate are issued at all times when off or outside the
24 premises of the owner. Whenever an original tag is lost, mutilated or destroyed, upon application
25 and payment of the fee prescribed under ORS 433.380, if any, a replacement tag, to be dated, de-
26 signed and worn as the original, shall be issued.

27 (3) No official of any county shall issue a license for a dog until the official has been shown a
28 proper certification, or its equivalent, of a rabies inoculation.

29 (4) If the county files the certificate upon which a tag is issued, it shall be cross-referenced to
30 the tag number. If the certificate is not filed, the county shall keep an appropriate record of the
31 expiration date and number, if any, of the certificate cross-referenced to the tag number.
32 Notwithstanding ORS 205.320 (1)(a), a fee is not required for filing the certificate.

33 (5) Unexpired tags shall be honored in all counties when the animal is in transit or where the
34 owner has established a new residence.

35 (6) The provisions of this section apply to a city, rather than a county, in a city that has a dog
36 licensing program.

37 **SECTION 973.** ORS 433.407 is amended to read:

38 433.407. As used in ORS 433.407 to 433.423 unless the context requires otherwise:

39 [(1) "Authority" means the Oregon Health Authority.]

40 [(2)] (1) "Health care facility" means a facility as defined in ORS 442.015 and a mental health
41 facility, alcohol treatment facility or drug treatment facility licensed or operated under ORS chapter
42 426 or 430.

43 [(3)] (2) "Worker" means a person who is licensed or certified to provide health care under ORS
44 chapter 677, 678, 679, 680, 684 or 685 or ORS 682.216, an employee of a health care facility, of a li-
45 censed health care provider or of a clinical laboratory as defined in ORS 438.010, a firefighter, a law

1 enforcement officer as defined in ORS 414.805, a corrections officer or a parole and probation officer.

2 **SECTION 974.** ORS 433.419 is amended to read:

3 433.419. When a local health department or the Oregon [*Health Authority*] **Department of**
4 **Health** learns of a case or suspected case of an infectious disease which may have exposed a worker
5 to risk of infection, the local health department or the [*authority*] **Oregon Department of Health**
6 shall make every reasonable effort to notify the worker and employer of the exposure as soon as
7 medically appropriate given the urgency of the disease or suspected disease. Notification shall in-
8 clude recommendations to the worker and employer that are medically appropriate.

9 **SECTION 975.** ORS 433.423 is amended to read:

10 433.423. (1) The Oregon [*Health Authority*] **Department of Health** shall adopt rules implement-
11 ing ORS 433.407 to 433.423. Such rules shall include, but need not be limited to:

12 (a) The development of curriculum dealing with the exposure of workers to infectious diseases;

13 (b) Development and conduct of training programs for local health department personnel to
14 prepare them to train workers about the subject of infectious diseases;

15 (c) Information on the manner in which infectious diseases are transmitted; and

16 (d) Guidelines that can assist workers and their employers in distinguishing between conditions
17 in which such workers are or are not at risk with respect to infectious diseases.

18 (2) The rules adopted by the [*authority*] **Oregon Department of Health** shall require that im-
19 plementation of ORS 433.407 to 433.423 be accomplished in such a manner as to protect the
20 confidentiality of persons with infectious diseases and workers exposed to such persons.

21 **SECTION 976.** ORS 433.443 is amended to read:

22 433.443. (1) As used in this section:

23 (a) "Covered entity" means:

24 (A) The Children's Health Insurance Program;

25 (B) A health insurer that is an insurer as defined in ORS 731.106 and that issues health insur-
26 ance as defined in ORS 731.162;

27 (C) The state medical assistance program; and

28 (D) A health care provider.

29 (b) "Health care provider" includes but is not limited to:

30 (A) A psychologist, occupational therapist, regulated social worker, professional counselor or
31 marriage and family therapist licensed or otherwise authorized to practice under ORS chapter 675
32 or an employee of the psychologist, occupational therapist, regulated social worker, professional
33 counselor or marriage and family therapist;

34 (B) A physician or physician assistant licensed under ORS chapter 677, an acupuncturist li-
35 censed under ORS 677.759 or an employee of the physician, physician assistant or acupuncturist;

36 (C) A nurse or nursing home administrator licensed under ORS chapter 678 or an employee of
37 the nurse or nursing home administrator;

38 (D) A dentist licensed under ORS chapter 679 or an employee of the dentist;

39 (E) A dental hygienist or denturist licensed under ORS chapter 680 or an employee of the dental
40 hygienist or denturist;

41 (F) A speech-language pathologist or audiologist licensed under ORS chapter 681 or an employee
42 of the speech-language pathologist or audiologist;

43 (G) An emergency medical services provider licensed under ORS chapter 682;

44 (H) An optometrist licensed under ORS chapter 683 or an employee of the optometrist;

45 (I) A chiropractic physician licensed under ORS chapter 684 or an employee of the chiropractic

- 1 physician;
- 2 (J) A naturopathic physician licensed under ORS chapter 685 or an employee of the naturopathic
- 3 physician;
- 4 (K) A massage therapist licensed under ORS 687.011 to 687.250 or an employee of the massage
- 5 therapist;
- 6 (L) A direct entry midwife licensed under ORS 687.405 to 687.495 or an employee of the direct
- 7 entry midwife;
- 8 (M) A physical therapist licensed under ORS 688.010 to 688.201 or an employee of the physical
- 9 therapist;
- 10 (N) A medical imaging licensee under ORS 688.405 to 688.605 or an employee of the medical
- 11 imaging licensee;
- 12 (O) A respiratory care practitioner licensed under ORS 688.815 or an employee of the respir-
- 13 atory care practitioner;
- 14 (P) A polysomnographic technologist licensed under ORS 688.819 or an employee of the poly-
- 15 somnographic technologist;
- 16 (Q) A pharmacist licensed under ORS chapter 689 or an employee of the pharmacist;
- 17 (R) A dietitian licensed under ORS 691.405 to 691.485 or an employee of the dietitian;
- 18 (S) A funeral service practitioner licensed under ORS chapter 692 or an employee of the funeral
- 19 service practitioner;
- 20 (T) A health care facility as defined in ORS 442.015;
- 21 (U) A home health agency as defined in ORS 443.014;
- 22 (V) A hospice program as defined in ORS 443.850;
- 23 (W) A clinical laboratory as defined in ORS 438.010;
- 24 (X) A pharmacy as defined in ORS 689.005; and
- 25 (Y) Any other person or entity that furnishes, bills for or is paid for health care in the normal
- 26 course of business.
- 27 (c) "Individual" means a natural person.
- 28 (d) "Individually identifiable health information" means any oral or written health information
- 29 in any form or medium that is:
- 30 (A) Created or received by a covered entity, an employer or a health care provider that is not
- 31 a covered entity; and
- 32 (B) Identifiable to an individual, including demographic information that identifies the individual,
- 33 or for which there is a reasonable basis to believe the information can be used to identify an indi-
- 34 vidual, and that relates to:
- 35 (i) The past, present or future physical or mental health or condition of an individual;
- 36 (ii) The provision of health care to an individual; or
- 37 (iii) The past, present or future payment for the provision of health care to an individual.
- 38 (e) "Legal representative" means attorney at law, person holding a general power of attorney,
- 39 guardian, conservator or any person appointed by a court to manage the personal or financial affairs
- 40 of a person, or agency legally responsible for the welfare or support of a person.
- 41 (2)(a) During a public health emergency declared under ORS 433.441, the Public Health Director
- 42 may, as necessary to appropriately respond to the public health emergency:
- 43 (A) Adopt reporting requirements for and provide notice of those requirements to health care
- 44 providers, institutions and facilities for the purpose of obtaining information directly related to the
- 45 public health emergency;

1 (B) After consultation with appropriate medical experts, create and require the use of diagnostic
2 and treatment protocols to respond to the public health emergency and provide notice of those
3 protocols to health care providers, institutions and facilities;

4 (C) Order, or authorize local public health administrators to order, public health measures ap-
5 propriate to the public health threat presented;

6 (D) Authorize pharmacists licensed under ORS chapter 689 to administer vaccines to persons
7 who are three years of age or older;

8 (E) Upon approval of the Governor, take other actions necessary to address the public health
9 emergency and provide notice of those actions to health care providers, institutions and facilities,
10 including public health actions authorized by ORS 431A.015;

11 (F) Take any enforcement action authorized by ORS 431A.010, including the imposition of civil
12 penalties of up to \$500 per day against individuals, institutions or facilities that knowingly fail to
13 comply with requirements resulting from actions taken in accordance with the powers granted to
14 the Public Health Director under subparagraphs (A), (B) and (E) of this paragraph; and

15 (G) The authority granted to the Public Health Director under this section:

16 (i) Supersedes any authority granted to a local public health authority if the local public health
17 authority acts in a manner inconsistent with guidelines established or rules adopted by the director
18 under this section; and

19 (ii) Does not supersede the general authority granted to a local public health authority or a
20 local public health administrator except as authorized by law or necessary to respond to a public
21 health emergency.

22 (b) The authority of the Public Health Director to take administrative action, and the effec-
23 tiveness of any action taken, under paragraph (a)(A), (B) and (D) to (G) of this subsection terminates
24 upon the expiration of the declared state of public health emergency, unless the actions are con-
25 tinued under other applicable law.

26 (3) Civil penalties under subsection (2) of this section shall be imposed in the manner provided
27 in ORS 183.745. The Public Health Director must establish that the individual, institution or facility
28 subject to the civil penalty had actual notice of the action taken that is the basis for the penalty.
29 The maximum aggregate total for penalties that may be imposed against an individual, institution
30 or facility under subsection (2) of this section is \$500 for each day of violation, regardless of the
31 number of violations of subsection (2) of this section that occurred on each day of violation.

32 (4)(a) During a declared state of public health emergency, the Public Health Director and local
33 public health administrators shall be given immediate access to individually identifiable health in-
34 formation necessary to:

35 (A) Determine the causes of an illness related to the public health emergency;

36 (B) Identify persons at risk;

37 (C) Identify patterns of transmission;

38 (D) Provide treatment; and

39 (E) Take steps to control the disease.

40 (b) Individually identifiable health information accessed as provided by paragraph (a) of this
41 subsection may not be used for conducting nonemergency epidemiologic research or to identify
42 persons at risk for post-traumatic mental health problems, or for any other purpose except the pur-
43 poses listed in paragraph (a) of this subsection.

44 (c) Individually identifiable health information obtained by the Public Health Director or local
45 public health administrators under this subsection may not be disclosed without written authori-

1 zation of the identified individual except:

2 (A) Directly to the individual who is the subject of the information or to the legal representative
3 of that individual;

4 (B) To state, local or federal agencies authorized to receive such information by state or federal
5 law;

6 (C) To identify or to determine the cause or manner of death of a deceased individual; or

7 (D) Directly to a health care provider for the evaluation or treatment of a condition that is the
8 subject of a declaration of a state of public health emergency issued under ORS 433.441.

9 (d) Upon expiration of the state of public health emergency, the Public Health Director or local
10 public health administrators may not use or disclose any individually identifiable health information
11 that has been obtained under this section. If a state of emergency that is related to the state of
12 public health emergency has been declared under ORS 401.165, the Public Health Director and local
13 public health administrators may continue to use any individually identifiable information obtained
14 as provided under this section until termination of the state of emergency.

15 (5) All civil penalties recovered under this section shall be paid into the State Treasury and
16 credited to the General Fund and are available for general governmental expenses.

17 (6) The Public Health Director may request assistance in enforcing orders issued pursuant to
18 this section from state or local law enforcement authorities. If so requested by the Public Health
19 Director, state and local law enforcement authorities, to the extent resources are available, shall
20 assist in enforcing orders issued pursuant to this section.

21 (7) If the Oregon [*Health Authority*] **Department of Health** adopts temporary rules to implement
22 the provisions of this section, the rules adopted are not subject to the provisions of ORS 183.335
23 (6)(a). The [*authority*] **department** may amend temporary rules adopted pursuant to this subsection
24 as often as necessary to respond to the public health emergency.

25 **SECTION 977.** ORS 433.452 is amended to read:

26 433.452. (1) If the Public Health Director or the local public health administrator reasonably
27 believes a person within the jurisdiction of the director or the administrator may have been exposed
28 to a communicable disease identified by rule of the Oregon [*Health Authority*] **Department of**
29 **Health** to be a reportable disease or condition or a condition that is the basis for a state of public
30 health emergency declared by the Governor as authorized by ORS 433.441, the person may be de-
31 tained for as long as reasonably necessary for the director or administrator to convey information
32 to the person regarding the communicable disease or condition and to obtain contact information,
33 including but not limited to the person's residence and employment addresses, date of birth, tele-
34 phone numbers and any other contact information required by the director or administrator.

35 (2) If a person detained under subsection (1) of this section refuses to provide the information
36 requested, the director or administrator may impose a public health measure appropriate to the
37 public health threat presented pursuant to ORS 433.035, 433.121 and 433.123.

38 **SECTION 978.** ORS 433.511 is amended to read:

39 433.511. Subject to available funds, the Oregon [*Health Authority*] **Department of Health** may
40 establish a broad public information program to educate the public on indoor air pollutants, their
41 identities, causes and effects, and on effective practical methods for preventing, detecting and cor-
42 recting the causes of indoor air pollution.

43 **SECTION 979.** ORS 433.517 is amended to read:

44 433.517. Subject to available funds, the Oregon [*Health Authority*] **Department of Health** may
45 conduct field investigations and epidemiological studies to quantify the extent of indoor air pollution

1 levels and public exposure in Oregon. Field investigations shall be conducted in a manner that does
2 not compete with the business of private contractors. Epidemiological studies may be conducted to
3 look for the causes of illness and collect and analyze data to identify trends and health impacts,
4 especially where national information on significant potential problems is lacking.

5 **SECTION 980.** ORS 433.521 is amended to read:

6 433.521. (1) Based upon the recommendations of the Indoor Air Pollution Task Force, the Oregon
7 [*Health Authority*] **Department of Health** may establish indoor air quality standards for significant
8 indoor air pollutants. If established, the standards:

- 9 (a) Shall include an adequate margin of safety;
10 (b) Shall be adequate to protect the population, including sensitive groups; and
11 (c) May be revised as appropriate.

12 (2) If established, indoor air quality standards shall be at least for the following significant in-
13 door air pollutants:

- 14 (a) Particulate matter;
15 (b) Aldehydes;
16 (c) Radon;
17 (d) Carbon monoxide;
18 (e) Carbon dioxide;
19 (f) Ozone; and
20 (g) Water vapor.

21 (3) In developing the indoor air quality standards, the [*authority*] **department** shall consult with
22 the Department of Environmental Quality, the Department of Consumer and Business Services and
23 the Indoor Air Pollution Task Force.

24 (4) The standards established by the [*authority*] **Oregon Department of Health** shall not take
25 effect before July 1, 1991. The [*authority*] **department** shall seek voluntary compliance with the
26 standards.

27 **SECTION 981.** ORS 433.526 is amended to read:

28 433.526. (1) The Oregon [*Health Authority*] **Department of Health** may establish by rule a
29 public recognition program for office workplaces, buildings and public areas that consistently meet
30 the indoor air quality requirements of ORS 433.502 to 433.526, 455.445 and 468A.775 to 468A.785.
31 Any workplace, building or public area that qualifies for such recognition may display a notice in-
32 dicating that the building exceeds the requirements of Oregon's indoor clean air statutes.

33 (2) To qualify for recognition under this section, an office workplace, building or public area
34 shall:

- 35 (a) Comply with all applicable provisions of ORS 433.835 to 433.875;
36 (b) Demonstrate a consistent pattern of compliance in meeting all indoor air quality standards
37 and other requirements of ORS 433.502 to 433.526, 455.445 and 468A.775 to 468A.785; and
38 (c) Demonstrate to the satisfaction of the [*authority*] **department** that all technically and eco-
39 nomically practicable steps have been taken to minimize significant sources of indoor air pollution.

40 (3) The [*authority*] **department** by rule may establish a fee to be submitted by the owner or
41 responsible party of a building, workplace or public area who requests certification under this sec-
42 tion. The fee shall be an amount sufficient to pay the [*authority's*] **department's** costs in carrying
43 out the provisions of this section.

44 **SECTION 982.** ORS 433.715 is amended to read:

45 433.715. No person having delivered merchandise, such as clothing, wearing apparel of every

1 description, hair goods, brushes, rubber goods, books, mattresses, blankets, sheets, pillows or other
 2 kinds of bedding, to any person or institution at or thereafter taken to any place where any
 3 communicable disease exists or may exist, after the delivery of such merchandise, shall intermingle
 4 the same with the goods for sale or offer the same for sale or sell the same, or receive any mer-
 5 chandise from any place or premises where any communicable disease exists or has existed, and
 6 intermingle such goods with other goods for sale or offer the same for sale or sell the same, until
 7 such goods have been thoroughly disinfected in accordance with the rules and regulations of the
 8 Oregon [*Health Authority*] **Department of Health**.

9 **SECTION 983.** ORS 433.750 is amended to read:

10 433.750. (1) Unless a county decides that a land use permit is required, the county in which an
 11 outdoor mass gathering is to take place shall issue a permit upon application if the organizer dem-
 12 onstrates compliance with or the ability to comply with the health and safety rules governing out-
 13 door mass gatherings to be regulated according to the anticipated crowd and adopted by the Oregon
 14 [*Health Authority*] **Department of Health**. The application must include all of the following:

- 15 (a) Name and address of the applicant.
- 16 (b) Legal description of the place of the proposed gathering.
- 17 (c) Date of the proposed gathering.
- 18 (d) Estimated attendance at the proposed gathering.
- 19 (e) Nature of the proposed gathering.
- 20 (f) Such other appropriate information as the county may require in order to ensure compliance
 21 with rules of the [*authority*] **department**.

22 (2) Notice of the application must be sent by the county to the county sheriff or county chief
 23 law enforcement officer, the local health officer and the chief of the fire district in which the gath-
 24 ering is to be held.

25 (3) Each officer receiving notice of the application under subsection (2) of this section may
 26 comment in writing to the county not later than the hearing date. The comment may include rec-
 27 ommendations related to the official functions of the officer as to granting the permit and any re-
 28 commended conditions that should be imposed.

29 (4) The county shall hold a public hearing on the issue of compliance with this section. Notice
 30 of the time and place of the hearing including a general explanation of the matter to be considered
 31 must be published at least 10 calendar days before the hearing in a newspaper of general circulation
 32 in the county or, if there is none, it must be posted in at least three public places in the county.

33 (5) Except as provided in ORS 433.763, a decision of a county on an application for a permit to
 34 hold an outdoor mass gathering may be appealed to a circuit court for the county as provided in
 35 ORS 34.020 to 34.100.

36 (6) A county may charge permit applicants a fee reasonably calculated to reimburse the county
 37 for its reasonable and necessary costs in receiving, processing and reviewing applications for per-
 38 mits to hold outdoor mass gatherings. However, a fee authorized by this subsection may not exceed
 39 the greater of \$5,000 or \$2 per anticipated attendee of the gathering.

40 **SECTION 984.** ORS 433.760 is amended to read:

41 433.760. Notwithstanding any other provisions of law, the Oregon [*Health Authority*] **Depart-**
 42 **ment of Health** shall, in accordance with the provisions of ORS chapter 183, make rules regulated
 43 according to anticipated crowds with respect to health and safety at outdoor mass gatherings which
 44 provide for:

- 45 (1) Adequate water supply, drainage and sewerage facilities;

- 1 (2) Adequate toilet facilities;
- 2 (3) Adequate refuse storage and disposal facilities;
- 3 (4) Adequate food and sanitary food service, if supplied;
- 4 (5) Adequate emergency medical facilities and communication systems;
- 5 (6) Adequate fire protection; and
- 6 (7) Adequate security personnel and traffic control.

7 **SECTION 985.** ORS 433.810 is amended to read:

8 433.810. The Oregon [*Health Authority*] **Department of Health** shall:

9 (1) Adopt rules necessary for the administration of ORS 433.800 to 433.830, including defining
 10 circumstances under which ORS 433.800 to 433.815, 433.817 and 433.825 shall apply. The [*authority*]
 11 **department** shall include input from the educational system, health care provider organizations and
 12 other interested parties when adopting rules or amending those rules.

13 (2) Develop or approve protocols for educational training as described in ORS 433.815 and
 14 433.817, including the use of mechanisms for periodic retraining of individuals, and provide the
 15 protocols for educational training upon request to schools, health care professionals, parents or
 16 guardians of students or other interested parties.

17 **SECTION 986.** ORS 433.815 is amended to read:

18 433.815. (1) Educational training on the treatment of allergic responses, as required by ORS
 19 433.800 to 433.830, shall be conducted by a physician, physician assistant or nurse practitioner. The
 20 training may be conducted by any other health care professional licensed under ORS chapter 678
 21 as assigned by a physician, physician assistant or nurse practitioner, or by an emergency medical
 22 services provider meeting the requirements established by the Oregon [*Health Authority*] **Depart-**
 23 **ment of Health** by rule. The curricula shall include, at a minimum, the following subjects:

- 24 (a) Recognition of the symptoms of systemic allergic responses to insect stings and other
 25 allergens;
- 26 (b) Familiarity with common factors that are likely to elicit systemic allergic responses;
- 27 (c) Proper administration of an intramuscular or subcutaneous injection of epinephrine for se-
 28 vere allergic responses to insect stings and other specific allergens; and
- 29 (d) Necessary follow-up treatment.

30 (2) Educational training on the treatment of hypoglycemia, as required by ORS 433.800 to
 31 433.830, shall be conducted by a physician, physician assistant, nurse practitioner or any other
 32 health care professional licensed under ORS chapter 678. The curricula shall include, at a minimum,
 33 the following subjects:

- 34 (a) Recognition of the symptoms of hypoglycemia;
- 35 (b) Familiarity with common factors that may induce hypoglycemia;
- 36 (c) Proper administration of a subcutaneous injection of glucagon for severe hypoglycemia when
 37 other treatment has failed or cannot be initiated; and
- 38 (d) Necessary follow-up treatment.

39 (3) Educational training on the treatment of adrenal insufficiency, as required by ORS 433.800
 40 to 433.830, shall be conducted by a physician, physician assistant, nurse practitioner or any other
 41 health care professional licensed under ORS chapter 678. The curricula shall include, at a minimum,
 42 the following subjects:

- 43 (a) General information about adrenal insufficiency and the dangers associated with adrenal in-
 44 sufficiency;
- 45 (b) Recognition of the symptoms of a person who is experiencing an adrenal crisis;

1 (c) The types of medications that are available for treating adrenal insufficiency; and

2 (d) Proper administration of medications that treat adrenal insufficiency.

3 **SECTION 987.** ORS 433.817 is amended to read:

4 433.817. Educational training on the treatment of allergic responses, as required by ORS 433.800
5 to 433.830, may be conducted by a public health authority or organization or by any other entity
6 or individual approved by the Oregon [*Health Authority*] **Department of Health** by rule. The
7 training curricula under this section must include the following subjects:

8 (1) Recognition of the symptoms of systemic allergic responses to insect stings and other
9 allergens;

10 (2) Familiarity with common factors that are likely to elicit systemic allergic responses;

11 (3) Proper administration of an intramuscular or subcutaneous injection of epinephrine for se-
12 vere allergic responses to insect stings and other specific allergens; and

13 (4) Necessary follow-up treatment.

14 **SECTION 988.** ORS 433.835 is amended to read:

15 433.835. As used in ORS 433.835 to 433.875:

16 (1) “Cigar bar” means a business that:

17 (a) Has on-site sales of cigars as defined in ORS 323.500;

18 (b) Has a humidor on the premises;

19 (c) Allows the smoking of cigars on the premises but prohibits the smoking, aerosolizing or
20 vaporizing of other inhalants on the premises;

21 (d) Has been issued and operates under a full on-premises sales license issued under ORS
22 471.175;

23 (e) Prohibits persons under 21 years of age from entering the premises and posts notice of the
24 prohibition;

25 (f) Does not offer video lottery games as authorized under ORS 461.217;

26 (g) Has a maximum seating capacity of 40 persons;

27 (h) Has a ventilation system that exhausts smoke from the business and is designed and termi-
28 nated in accordance with the state building code standards for the occupancy classification in use;
29 and

30 (i) Requires all employees to read and sign a document that explains the dangers of exposure
31 to secondhand smoke.

32 (2) “Enclosed area” means the entirety of the space between a floor and a ceiling that is en-
33 closed on three or more sides by permanent or temporary walls or windows, exclusive of doors or
34 passageways, that extend from the floor to the ceiling.

35 (3) “Inhalant” means nicotine, a cannabinoid or any other substance that:

36 (a) Is in a form that allows the nicotine, cannabinoid or substance to be delivered into a person’s
37 respiratory system;

38 (b) Is inhaled for the purpose of delivering the nicotine, cannabinoid or other substance into a
39 person’s respiratory system; and

40 (c)(A) Is not approved by, or emitted by a device approved by, the United States Food and Drug
41 Administration for a therapeutic purpose; or

42 (B) If approved by, or emitted by a device approved by, the United States Food and Drug Ad-
43 ministration for a therapeutic purpose, is not marketed and sold solely for that purpose.

44 (4)(a) “Place of employment” means an enclosed area under the control of a public or private
45 employer, including work areas, employee lounges, vehicles that are operated in the course of an

1 employer's business and that are not operated exclusively by one employee, rest rooms, conference
 2 rooms, classrooms, cafeterias, hallways, meeting rooms, elevators and stairways.

3 (b) "Place of employment" does not include a private residence unless it is used as a child care
 4 facility as defined in ORS 329A.250 or a facility providing adult day care as defined in ORS 410.490.

5 (5) "Public place" means an enclosed area open to the public.

6 (6) "Smoke shop" means a business that is certified with the Oregon [*Health Authority*] **De-**
 7 **partment of Health** as a smoke shop pursuant to the rules adopted under ORS 433.847.

8 (7) "Smoking instrument" means any cigar, cigarette, pipe or other instrument used to smoke
 9 tobacco, cannabis or any other inhalant.

10 **SECTION 989.** ORS 433.847 is amended to read:

11 433.847. (1) The Oregon [*Health Authority*] **Department of Health** shall adopt rules establishing
 12 a certification system for smoke shops and any rules necessary for the implementation, adminis-
 13 tration and enforcement of ORS 433.835 to 433.875. In adopting rules under this section, the [*au-*
 14 *thority*] **department** shall prohibit the smoking, aerosolizing or vaporizing of inhalants that are not
 15 tobacco products in smoke shops.

16 (2) The [*authority*] **department** shall issue a smoke shop certification to a business that:

17 (a)(A) Is primarily engaged in the sale, for off-premises consumption or use, of tobacco products
 18 and smoking instruments used to smoke tobacco products, with at least 75 percent of the gross re-
 19 venues of the business resulting from such sales;

20 (B) Prohibits persons under 21 years of age from entering the premises;

21 (C) Does not offer video lottery games as authorized under ORS 461.217, social gaming or betting
 22 on the premises;

23 (D) Does not:

24 (i) Sell or offer food or beverages, including alcoholic beverages, for on-premises consumption;
 25 or

26 (ii) Allow on-premises consumption of alcoholic beverages;

27 (E) Is a stand-alone business with no other businesses or residential property attached to the
 28 premises;

29 (F) Has a maximum seating capacity of four persons; and

30 (G) Allows the smoking of tobacco product samples only for the purpose of making retail pur-
 31 chase decisions;

32 (b) On December 31, 2008:

33 (A) Met the requirements of paragraph (a)(A) to (D) of this subsection; and

34 (B)(i) Was a stand-alone business with no other businesses or residential property attached; or

35 (ii) Had a ventilation system that exhausted smoke from the business and was designed and
 36 terminated in accordance with the state building code standards for the occupancy classification in
 37 use; or

38 (c)(A) Was certified as a smoke shop under ORS 433.835, as in effect immediately before June
 39 30, 2011, by the [*authority*] **department** on or before December 31, 2012;

40 (B) Allows the smoking of cigarettes only if at least 75 percent of the gross revenues of the
 41 business results from the sale of cigarettes;

42 (C) Does not:

43 (i) Sell or offer alcoholic beverages for on-premises consumption; or

44 (ii) Allow on-premises consumption of alcoholic beverages; and

45 (D) Prohibits persons under 21 years of age from entering the premises.

1 (3) A smoke shop certified under subsection (2)(b) of this section must renew the smoke shop
2 certification every five years by demonstrating to the satisfaction of the [authority] **department** that
3 the smoke shop:

4 (a)(A) Meets the requirements of subsection (2)(a)(A) to (D) of this section; and

5 (B)(i) Is a stand-alone business with no other businesses or residential property attached; or

6 (ii) Has a ventilation system that exhausts smoke from the business and is designed and termi-
7 nated in accordance with the state building code standards for the occupancy classification in use;
8 and

9 (b) Allows the smoking of cigarettes only if at least 75 percent of the gross revenues of the
10 business results from the sale of cigarettes.

11 (4) A smoke shop certified under subsection (2)(c) of this section must renew the smoke shop
12 certification every five years by demonstrating to the satisfaction of the [authority] **department** that
13 the smoke shop:

14 (a) Meets the requirements of ORS 433.835, as in effect immediately before June 30, 2011;

15 (b) Allows the smoking of cigarettes only if at least 75 percent of the gross revenues of the
16 business results from the sale of cigarettes;

17 (c) Does not:

18 (A) Sell or offer alcoholic beverages for on-premises consumption; or

19 (B) Allow on-premises consumption of alcoholic beverages; and

20 (d) Prohibits persons under 21 years of age from entering the premises.

21 (5) The owner of a smoke shop certified under subsection (2)(b) or (c) of this section may
22 transfer the certification with ownership of the smoke shop if the transfer is made in accordance
23 with rules adopted by the [authority] **department**.

24 (6) A smoke shop certified under subsection (2)(b) of this section may continue to be certified
25 in a new location under subsection (2)(b) of this section if:

26 (a)(A) The new location occupies no more than 3,500 square feet; or

27 (B) If the old location occupied more than 3,500 square feet, the new location occupies no more
28 than 110 percent of the space occupied by the old location; and

29 (b) The smoke shop as operated in the new location:

30 (A) Meets the requirements of subsection (2)(a)(A) to (D) of this section;

31 (B)(i) Is a stand-alone business with no other businesses or residential property attached; or

32 (ii) Has a ventilation system that exhausts smoke from the business and is designed and termi-
33 nated in accordance with the state building code standards for the occupancy classification in use;
34 and

35 (C) Allows the smoking of cigarettes only if at least 75 percent of the gross revenues of the
36 business results from the sale of cigarettes.

37 (7) A smoke shop certified under subsection (2)(c) of this section may continue to be certified
38 in a new location under subsection (2)(c) of this section if:

39 (a)(A) The new location occupies no more than 3,500 square feet; or

40 (B) If the old location occupied more than 3,500 square feet, the new location occupies no more
41 than 110 percent of the space occupied by the old location; and

42 (b) The smoke shop as operated in the new location:

43 (A) Meets the requirements of ORS 433.835, as in effect immediately before June 30, 2011;

44 (B) Allows the smoking of cigarettes only if at least 75 percent of the gross revenues of the
45 business results from the sale of cigarettes;

1 (C) Does not:

2 (i) Sell or offer alcoholic beverages for on-premises consumption; or

3 (ii) Allow on-premises consumption of alcoholic beverages; and

4 (D) Prohibits persons under 21 years of age from entering the premises.

5 (8) Rules adopted under this section must provide that, in order to obtain a smoke shop certi-
6 fication, a business must agree to allow the [authority] **department** to make unannounced in-
7 spections of the business to determine compliance with ORS 433.835 to 433.875.

8 (9)(a) Subject to ORS chapter 183, the [authority] **department** may revoke or refuse to issue or
9 renew a certification to a smoke shop for a violation of any provision of ORS 433.835 to 433.875 or
10 a violation of any rule adopted under ORS 433.835 to 433.875.

11 (b) If the [authority] **department** revokes the certification or denies the renewal of the certi-
12 fication of a smoke shop that was certified under subsection (2)(b) or (c) of this section, the [au-
13 thority] **department** may not issue a new certification to the smoke shop under subsection (2)(b) or
14 (c) of this section.

15 **SECTION 990.** ORS 433.855 is amended to read:

16 433.855. (1) The Oregon [Health Authority] **Department of Health**, in accordance with the pro-
17 visions of ORS chapter 183:

18 (a) Shall adopt rules necessary to implement the provisions of ORS 433.835 to 433.875;

19 (b) Is responsible for ensuring compliance with ORS 433.835 to 433.875 and rules adopted under
20 ORS 433.835 to 433.875; and

21 (c) May impose a civil penalty not to exceed \$500 per day for each violation of ORS 433.845 or
22 433.850 or a rule adopted under ORS 433.835 to 433.875. Penalties imposed under this paragraph
23 must be collected in the manner provided in ORS 441.705 to 441.745. All moneys recovered under
24 this paragraph shall be paid into the State Treasury and credited to:

25 (A) The Tobacco Use Reduction Account established under ORS 431A.153, if the violation con-
26 cerns nicotine; or

27 (B) The Oregon [Health Authority] **Department of Health** Fund established under ORS 413.101,
28 if the violation concerns an inhalant other than nicotine.

29 (2) In carrying out its duties under this section, the [authority] **department** is not authorized
30 to require any changes in ventilation or barriers in a public place or place of employment. This
31 subsection does not limit the power of the [authority] **department** to enforce the requirements of
32 any other provision of law.

33 (3) In public places that the [authority] **department** regularly inspects, the [authority] **depart-**
34 **ment** shall check for compliance with the provisions of ORS 433.835 to 433.875. In other public
35 places and places of employment, the [authority] **department** shall respond to complaints, notifying
36 the proprietor or person in charge of the requirements of ORS 433.835 to 433.875. If repeated com-
37 plaints are received, the [authority] **department** may take appropriate action to ensure compliance.

38 (4) When a county has assumed responsibility of the duties and responsibilities under ORS
39 446.425 and 448.100, or contracted with the [authority] **department** under ORS 190.110, the county
40 is responsible for enforcing the provisions of ORS 433.835 to 433.875 and has the same enforcement
41 power as the [authority] **department**.

42 **SECTION 991.** ORS 433.860 is amended to read:

43 433.860. The Oregon [Health Authority] **Department of Health** or local public health authority,
44 as defined in ORS 431.003, may institute an action in the circuit court of the county where the vi-
45 olation occurred to enjoin repeated violations of ORS 433.850.

SECTION 992. ORS 433.990 is amended to read:

433.990. (1) Violation of ORS 433.004 or 433.008, 433.255, 433.260 or 433.715 is a Class A misdemeanor.

(2) Violation of ORS 433.010 is a Class C felony.

(3) Violation of ORS 433.035 is a Class C misdemeanor.

(4) Violation of ORS 433.131 is a Class D violation.

(5) Violation of ORS 433.850 is a Class A violation. Fines imposed against a single employer under this subsection may not exceed \$4,000 in any 30-day period.

(6) Violation of ORS 433.345 or 433.365 is a Class B violation. Failure to obey any lawful order of the Director of the Oregon [*Health Authority*] **Department of Health** issued under ORS 433.350 is a Class C misdemeanor.

(7) Any organizer, as defined in ORS 433.735, violating ORS 433.745 commits a specific fine violation punishable by a fine of not more than \$10,000.

SECTION 993. ORS 435.090 is amended to read:

435.090. (1) Goods of the class specified in ORS 435.010 shall be sold at wholesale or at retail in this state only if they:

(a) Specifically identify the manufacturer, date of manufacture or an expiration date and the distributor thereof by firm name and address on the container in which the goods are sold or are intended to be distributed. All such goods manufactured after December 31, 1994, shall bear an expiration date.

(b) Comply with the standards as to such goods, respecting grade and quality, prescribed by the Oregon [*Health Authority*] **Department of Health** under ORS 435.100.

(2) Relative to drugs or medicinal preparations intended or having special utility for the prevention of conception, each individual container manufactured for sale in Oregon must bear the date of manufacture or an expiration date. All such drugs or medicinal preparations manufactured after December 31, 1994, shall bear an expiration date.

SECTION 994. ORS 435.100 is amended to read:

435.100. (1) The Oregon [*Health Authority*] **Department of Health** shall adopt and promulgate from time to time and have jurisdiction over the establishing of such standards relating to and governing the articles and medicinal preparations mentioned in ORS 435.010 as may be deemed necessary by the [*authority*] **department** in the interest of disease prevention.

(2) The State Board of Pharmacy may adopt other rules to enforce and carry out the provisions of ORS 435.010 to 435.130 in cooperation with the [*authority*] **department**.

(3) The [*authority*] **department** shall cause to have published the brand names of all goods of the class specified in ORS 435.010 that comply with the standards prescribed under subsection (1) of this section.

SECTION 995. ORS 435.105 is amended to read:

435.105. In lieu of its own inspection program, the State Board of Pharmacy may enter into an agreement with the Oregon [*Health Authority*] **Department of Health** or a local public health authority, as defined in ORS 431.003. The agreement shall authorize the Oregon [*Health Authority*] **Department of Health** or the local public health authority to make inspections of the condom stock to determine that the stock consists only of brands that comply with standards promulgated under ORS 435.100 (1). The agreement shall include authority to enforce applicable rules of the State Board of Pharmacy.

SECTION 996. ORS 435.205, as amended by section 11, chapter 45, Oregon Laws 2022, is

1 amended to read:

2 435.205. (1) The Oregon [*Health Authority*] **Department of Health** and every local health de-
3 partment shall offer family planning and birth control services within the limits of available funds.
4 Both agencies jointly may offer the services described in this subsection. The Director of the Oregon
5 [*Health Authority*] **Department of Health** or a designee shall initiate and conduct discussions of
6 family planning with each person who might have an interest in and benefit from the services. The
7 [*authority*] **Oregon Department of Health** shall furnish consultation and assistance to local health
8 departments.

9 (2) Family planning and birth control services may include, but are not limited to:

10 (a) Interviews with trained personnel;

11 (b) Distribution of literature;

12 (c) Referral to a physician licensed under ORS chapter 677, physician assistant licensed under
13 ORS 677.505 to 677.525, naturopathic physician licensed under ORS chapter 685 or nurse practi-
14 tioner licensed under ORS 678.375 to 678.390 for consultation, examination, medical treatment and
15 prescription; and

16 (d) To the extent so prescribed, the distribution of rhythm charts, the initial supply of a drug
17 or other medical preparation, contraceptive devices and similar products.

18 (3) Any literature, charts or other family planning and birth control information offered under
19 this section in counties in which a significant segment of the population does not speak English must
20 be made available in the appropriate language for that segment of the population.

21 (4) In carrying out its duties under this section, and with the consent of the local public health
22 authority as defined in ORS 431.003, the local health department may adopt a fee schedule for ser-
23 vices provided by the local health department. The fees shall be reasonably calculated not to exceed
24 costs of services provided and may be adjusted on a sliding scale reflecting ability to pay.

25 (5) The local health department shall collect fees according to the schedule adopted under sub-
26 section (4) of this section. Moneys from fees collected may be used to meet the expenses of pro-
27 viding the services authorized by this section.

28 **SECTION 997.** ORS 435.225 is amended to read:

29 435.225. Any employee of the Oregon [*Health Authority*] **Department of Health** may refuse to
30 accept the duty of offering family planning and birth control services to the extent that such duty
31 is contrary to the personal or religious beliefs of the employee. However, such employee shall notify
32 the immediate supervisor in writing of such refusal in order that arrangements may be made for
33 eligible persons to obtain such information and services from another employee. Such refusal shall
34 not be grounds for any disciplinary action, for dismissal, for any interdepartmental transfer, for any
35 other discrimination in employment, or for suspension from employment, or for any loss in pay or
36 other benefits.

37 **SECTION 998.** ORS 435.254 is amended to read:

38 435.254. (1) A hospital providing care to a female victim of sexual assault shall:

39 (a) Promptly provide the victim with unbiased, medically and factually accurate written and oral
40 information about emergency contraception;

41 (b) Promptly orally inform the victim of her option to be provided emergency contraception at
42 the hospital; and

43 (c) If requested by the victim and if not medically contraindicated, provide the victim with
44 emergency contraception immediately at the hospital, notwithstanding ORS 147.397.

45 (2)(a) In collaboration with victim advocates, other interested parties and nonprofit organiza-

1 tions that provide intervention and support services to victims of sexual assault and their families,
 2 the Oregon [*Health Authority*] **Department of Health** shall develop, prepare and produce informa-
 3 tional materials relating to emergency contraception for the prevention of pregnancy in victims of
 4 sexual assault for distribution to and use in all hospital emergency departments in the state, in
 5 quantities sufficient to comply with the requirements of this section.

6 (b) The Director of the Oregon [*Health Authority*] **Department of Health**, in collaboration with
 7 community sexual assault programs and other relevant stakeholders, may approve informational
 8 materials developed, prepared and produced by other entities for the purposes of paragraph (a) of
 9 this subsection.

10 (c) All informational materials must:

11 (A) Be clearly written and easily understood in a culturally competent manner; and

12 (B) Contain an explanation of emergency contraception, including its use, safety and effective-
 13 ness in preventing pregnancy, including but not limited to the following facts:

14 (i) Emergency contraception has been approved by the United States Food and Drug Adminis-
 15 tration as an over-the-counter medication for women 18 years of age or older and is a safe and ef-
 16 fective way to prevent pregnancy after unprotected sexual intercourse or after contraceptive failure,
 17 if taken in a timely manner.

18 (ii) Emergency contraception is more effective the sooner it is taken.

19 (iii) Emergency contraception will not disrupt an established pregnancy.

20 (3) The [*authority*] **department** shall respond to complaints of violations of ORS 435.256 in ac-
 21 cordance with ORS 441.044.

22 (4) The [*authority*] **department** shall incorporate the requirements of this section in rules
 23 adopted pursuant to ORS 441.025 that prescribe the care to be given to patients at hospitals.

24 (5) The director shall adopt rules necessary to carry out the provisions of this section.

25 (6) Information required to be provided under subsection (1) of this section is medically and
 26 factually accurate if the information is verified or supported by the weight of research conducted
 27 in compliance with accepted scientific methods and based upon:

28 (a) Reports in peer-reviewed journals; or

29 (b) Information that leading professional organizations, such as the American College of
 30 Obstetricians and Gynecologists, and agencies with expertise in the field recognize as accurate and
 31 objective.

32 **SECTION 999.** ORS 435.256 is amended to read:

33 435.256. The Oregon [*Health Authority*] **Department of Health** may impose a civil penalty
 34 against a hospital for each violation of the rules adopted under ORS 435.254. A civil penalty imposed
 35 under this section may not exceed \$1,000 for each violation upon inspection or each substantiated
 36 complaint filed.

37 **SECTION 1000.** ORS 438.010 is amended to read:

38 438.010. As used in ORS 438.010 to 438.510, unless the context requires otherwise:

39 [(1) "*Authority*" means the Oregon Health Authority.]

40 [(2)] (1) "Clinical laboratory" or "laboratory" means a facility where the microbiological,
 41 serological, chemical, hematological, immunohematological, immunological, toxicological,
 42 cytogenetical, exfoliative cytological, histological, pathological or other examinations are performed
 43 on materials derived from the human body, for the purpose of diagnosis, prevention of disease or
 44 treatment of patients by physicians, dentists and other persons who are authorized by license to
 45 diagnose or treat humans.

1 [(3)] (2) “Clinical laboratory specialty” or “laboratory specialty” means the examination of ma-
2 terials derived from the human body for the purpose of diagnosis and treatment of patients or as-
3 sessment of health, employing one of the following sciences: Serology, microbiology, chemistry,
4 hematology, immunohematology, immunology, toxicology, cytogenetics, exfoliative cytology,
5 histology or pathology.

6 [(4)] (3) “Clinician” means a nurse practitioner licensed by the Oregon State Board of Nursing,
7 or a physician assistant licensed by the Oregon Medical Board.

8 [(5)] (4) “Custody chain” means the handling of specimens in a way that supports legal testimony
9 to prove that the sample integrity and identification of the sample have not been violated, as well
10 as the documentation describing those procedures from specimen collection to the final report.

11 [(6)] (5) “Dentist” means a person licensed to practice dentistry by the Oregon Board of
12 Dentistry.

13 [(7)] (6) “Director of clinical laboratory” or “director” means the person who plans, organizes,
14 directs and participates in any or all of the technical operations of a clinical laboratory, including
15 but not limited to reviewing laboratory procedures and their results, training and supervising labo-
16 ratory personnel, and evaluating the technical competency of such personnel.

17 [(8)] (7) “Health screen testing” means tests performed for the purpose of identifying health
18 risks, providing health information and referring the person being tested to medical care.

19 [(9)] (8) “High complexity laboratory” means a facility that performs testing classified as highly
20 complex in the specialties of microbiology, chemistry, hematology, diagnostic immunology,
21 immunohematology, clinical cytogenetics, cytology, histopathology, oral pathology, pathology,
22 radiobioassay and histocompatibility and that may also perform moderate complexity tests and
23 waived tests.

24 [(10)] (9) “High complexity test” means a procedure performed on materials derived from the
25 human body that meet the criteria for this category of testing in the specialties of microbiology,
26 chemistry, hematology, immunohematology, diagnostic immunology, clinical cytogenetics, cytology,
27 histopathology, oral pathology, pathology, radiobioassay and histocompatibility as established by the
28 [authority] **Oregon Department of Health.**

29 [(11)] (10) “Laboratory evaluation system” means a system of testing clinical laboratory meth-
30 ods, procedures and proficiency by periodic performance and reporting on test specimens submitted
31 for examination.

32 [(12)] (11) “Moderate complexity laboratory” means a facility that performs testing classified as
33 moderately complex in the specialties of microbiology, hematology, chemistry, immunohematology
34 or diagnostic immunology and may also perform any waived test.

35 [(13)] (12) “Moderate complexity test” means a procedure performed on materials derived from
36 the human body that meet the criteria for this category of testing in the specialties of microbiology,
37 hematology, chemistry, immunohematology or diagnostic immunology as established by the
38 [authority] **Oregon Department of Health.**

39 [(14)] (13) “Operator of a substances of abuse on-site screening facility” or “operator” means the
40 person who plans, organizes, directs and participates in any or all of the technical and administra-
41 tive operations of a substances of abuse on-site screening facility.

42 [(15)] (14) “Owner of a clinical laboratory” means the person who owns the clinical laboratory,
43 or a county or municipality operating a clinical laboratory or the owner of any institution operating
44 a clinical laboratory.

45 [(16)] (15) “Physician” means a person licensed to practice medicine by the Oregon Medical

1 Board.

2 [(17)] (16) "Physician performed microscopy procedure" means a test personally performed by a
3 physician or other clinician during a patient's visit on a specimen obtained during the examination
4 of the patient.

5 [(18)] (17) "Physician performed microscopy procedures" means a limited group of tests that are
6 performed only by a physician or clinician.

7 [(19)] (18) "Specimen" means materials derived from a human being or body.

8 [(20)] (19) "Substances of abuse" means ethanol, cannabis and controlled substances.

9 [(21)] (20) "Substances of abuse on-site screening facility" or "on-site facility" means a location
10 where on-site tests are performed on specimens for the purpose of screening for the detection of
11 substances of abuse.

12 [(22)] (21) "Substances of abuse on-site screening test" or "on-site test" means a substances of
13 abuse test that is easily portable and can meet the requirements of the federal Food and Drug Ad-
14 ministration for commercial distribution or an alcohol screening test that meets the requirements
15 of the conforming products list found in the United States Department of Transportation National
16 Highway Traffic Safety Administration Docket No. 94-004 and meets the standards of the United
17 States Department of Transportation Alcohol Testing Procedure, 49 C.F.R. part 40, in effect on
18 October 23, 1999.

19 [(23)] (22) "Waived test" means a procedure performed on materials derived from the human
20 body that meet the criteria for this category of testing as established by the [authority] **Oregon**
21 **Department of Health**.

22 **SECTION 1001.** ORS 438.060 is amended to read:

23 438.060. Notwithstanding ORS 438.050, any person performing health screen testing must obtain
24 a permit under ORS 438.150 (5). However, an employer providing health screen testing to employees
25 of the employer is exempt from the applications of ORS 438.010, 438.130, 438.150 and this section if
26 such employer contracts for the testing through a licensed physician, a clinical laboratory or a
27 hospital, which is a permittee of the Oregon [Health Authority] **Department of Health** as provided
28 in this section.

29 **SECTION 1002.** ORS 438.070 is amended to read:

30 438.070. The Oregon [Health Authority] **Department of Health** shall establish by rule the
31 qualifications and responsibilities of technical and clinical consultants, general and technical
32 supervisors and testing personnel. A person is qualified to act as a technical or clinical consultant,
33 a general or technical supervisor, or a testing person in a clinical laboratory if the person meets
34 the requirements established by the [authority] **department**. Rules adopted under this section shall
35 not be more stringent than comparable rules adopted under the Clinical Laboratory Improvement
36 Amendments of 1988 (P.L. 100-578; 42 U.S.C. 201 and 263a).

37 **SECTION 1003.** ORS 438.110 is amended to read:

38 438.110. (1) The Oregon [Health Authority] **Department of Health** shall establish four levels of
39 laboratory licenses as follows:

- 40 (a) A high complexity laboratory license;
41 (b) A moderate complexity laboratory license;
42 (c) A physician performed microscopy laboratory license; and
43 (d) A waived laboratory license.

44 (2) The [authority] **department** shall issue and renew licenses required under ORS 438.040 for
45 any or all clinical laboratory specialties to the owners of clinical laboratories who demonstrate to

1 the satisfaction of the [authority] **department** that:

2 (a) The clinical laboratory is in compliance with ORS 438.010 to 438.510 and the rules of the
3 [authority] **department** adopted under ORS 438.450;

4 (b) The laboratory is adequately equipped to perform proficiently within the scope of its license;

5 (c) The clinical laboratory has facilities for retaining and does retain complete laboratory re-
6 cords for an appropriate length of time as the [authority] **department** by rule may require; and

7 (d) The clinical laboratory meets the standards of the [authority] **department** for safety, sani-
8 tary conditions, plumbing, ventilation, handling of specimens, maintenance of equipment and re-
9 quirements of general hygiene to insure protection of the public health.

10 **SECTION 1004.** ORS 438.120 is amended to read:

11 438.120. (1) In determining the specialties that are authorized to be performed in a clinical lab-
12 oratory, the Oregon [Health Authority] **Department of Health** shall consider laboratory personnel,
13 with particular emphasis on the qualifications of the director, laboratory equipment and any other
14 relevant factors affecting the ability of the laboratory to perform different laboratory specialties.

15 (2) No laboratory shall be licensed to perform examinations in the fields of surgical pathology,
16 autopsy pathology, exfoliative cytology, or immunohematology, unless its director is a physician or
17 dentist specifically qualified in these fields. The [authority] **department** may establish exemptions
18 from the requirements of this subsection for the field of immunohematology.

19 (3) The list of waived tests, physician performed microscopy procedures and moderate and high
20 complexity tests shall be established by the [authority] **department**.

21 **SECTION 1005.** ORS 438.130 is amended to read:

22 438.130. (1) The application for a license for a clinical laboratory shall be made on forms pro-
23 vided by the Oregon [Health Authority] **Department of Health** and shall be executed by the owner
24 or one of the owners or by an officer of the firm or corporation owning the clinical laboratory, or
25 in the case of a county or municipality, by the public official responsible for operation of the labo-
26 ratory, or in the case of an institution, by the administrator of the institution. The application shall
27 contain the names of the owner, the director or directors of the clinical laboratory, the location and
28 physical description of the clinical laboratory, the laboratory specialties for which a license is re-
29 quested and such other information as the [authority] **department** may require.

30 (2)(a) The application shall be accompanied by an annual or biennial license fee to be estab-
31 lished by the [authority] **department**. The fee shall be based on test volume, test complexity, the
32 number of specialties performed and private laboratory accreditation. For each level of laboratory
33 testing, the fee shall be not more than 100 percent of the corresponding fee charged by the federal
34 laboratory certification program known as the Clinical Laboratory Improvement Amendments of
35 1988 (P.L. 100-578, 42 U.S.C. 201 and 263a) in effect on July 1, 1999. The fee for substance of abuse
36 screening laboratories not certified under the Clinical Laboratory Improvement Amendments of 1988
37 shall be comparable to the clinical laboratory fee established under this section.

38 (b) The [authority] **department** may establish prorated fees for licenses issued for a year or less
39 and when there is a change in the laboratory's owner, director or address. A prorated license fee
40 shall be issued to a laboratory accredited by an organization recognized by the [authority] **depart-**
41 **ment**.

42 (3) Unless sooner voided, suspended or revoked, all licenses issued under this section expire on
43 June 30 of the one-year or two-year cycle following the date of issuance or on such date as may be
44 specified by [authority] **department** rule. Licenses issued under this section shall be renewable in
45 the manner prescribed by the [authority] **department**.

1 (4) Subject to prior approval of the Oregon Department of Administrative Services and a report
 2 to the Emergency Board prior to adopting the fees and charges, the fees and charges established
 3 under this section shall not exceed the cost of administering the regulatory program of the
 4 [authority] **Oregon Department of Health** pertaining to the purpose for which the fee or charge is
 5 established, as authorized by the Legislative Assembly within the [authority's] **department's** budget,
 6 as the budget may be modified by the Emergency Board.

7 **SECTION 1006.** ORS 438.140 is amended to read:

8 438.140. (1) A license issued to the owner of a clinical laboratory shall show on its face the
 9 names of the owners and directors, the location of the laboratory and the clinical laboratory spe-
 10 cialties authorized under the license. The license shall be displayed at all times in a prominent place
 11 in the laboratory.

12 (2) A license issued to the owner of a clinical laboratory is not transferable. The license of the
 13 laboratory is voided 30 days after a change in its director if it has only one director or if all di-
 14 rectors change or a change in the ownership or in the location of the laboratory. In case of death
 15 of a director, immediate notification to the Director of the Oregon [Health Authority] **Department**
 16 **of Health** or a designee who shall be empowered to issue a special temporary permit of 30 days'
 17 duration issued to a designated substitute director is required. If a license is voided or a special
 18 temporary permit is issued under this section, a new license application, accompanied by the
 19 nonrefundable license fee prescribed in ORS 438.130, shall be filed with the [authority] **Oregon De-**
 20 **partment of Health.**

21 **SECTION 1007.** ORS 438.150 is amended to read:

22 438.150. (1) In addition to the license of a clinical laboratory required by ORS 438.040, the
 23 Oregon [Health Authority] **Department of Health** may issue a temporary permit valid for a period,
 24 to be determined by the [authority] **department**, from the date of issuance in any or all clinical
 25 laboratory specialties upon payment of the respective required fees as described in ORS 438.130 (2).

26 (2) In issuing the temporary permit, the [authority] **department** may require that:

27 (a) Plans for compliance with applicable laws and rules be submitted with the application for the
 28 temporary permit;

29 (b) During the period in which the temporary permit is in effect periodic reports be submitted
 30 on the progress of the plans for compliance; and

31 (c) Special temporary provisions specified by the [authority] **department** upon application of the
 32 temporary permit be maintained for the protection of the public.

33 (3) If at any time the [authority] **department** determines that the clinical laboratory can no
 34 longer operate in a manner that protects the public health and safety or that the requirements im-
 35 posed under subsection (2) of this section are not being maintained, the [authority] **department** shall
 36 cancel the temporary permit.

37 (4) One renewal of the temporary permit may be granted if deemed to be in the best interest
 38 of public health by the [authority] **department**. The fee for renewal is the respective required fee
 39 as described in ORS 438.130 (2).

40 (5) The [authority] **department** may issue permits for health screen testing.

41 (6) The [authority] **department** by rule shall specify:

42 (a) Appropriate quality assurance procedures;

43 (b) Personnel qualifications;

44 (c) Standards for counseling and referral of persons being tested;

45 (d) Tests a health testing service may conduct;

1 (e) The procedure for applying for a permit; and

2 (f) The procedure for reporting to the [authority] **department** the location of all health screen-
3 ing facilities.

4 (7) The [authority] **department** by rule may specify the maximum length of time a health screen
5 testing service may remain in one location.

6 **SECTION 1008.** ORS 438.160 is amended to read:

7 438.160. Subject to ORS chapter 183, the Oregon [Health Authority] **Department of Health** may
8 refuse to issue or renew the license, or may suspend or revoke the license or health screen testing
9 permit, of a clinical laboratory if it finds that the owner or director has:

10 (1) Intentionally made false statements on an application for a clinical laboratory license or any
11 other documents required by the [authority] **department**, or made any misrepresentation in seeking
12 to obtain or retain a license.

13 (2) Demonstrated incompetence as defined pursuant to regulations promulgated after public
14 hearing.

15 (3) Intentionally falsified any report.

16 (4) Referred a specimen for examination to a nonlicensed or an unlicensed clinical laboratory
17 in this state unless the laboratory is exempt from the application of ORS 438.010 to 438.510.

18 (5) Misrepresented the scope of laboratory service offered by the clinical laboratory or the
19 clinical laboratory specialties authorized by the license.

20 (6) Rendered a report on clinical laboratory work actually performed in another clinical labo-
21 ratory without designating the name and address of the clinical laboratory in which the test was
22 performed.

23 (7) Knowingly had professional connection with or permitted the use of the name of the licensed
24 clinical laboratory or its director by a clinical laboratory that is required to but has not obtained
25 a license.

26 (8) Failed to perform or cause to be performed within the time specified analysis of test samples
27 as authorized by ORS 438.320, or failed to report on the results of such analysis within the specified
28 time.

29 (9) Failed to permit within a reasonable time the entry or inspection authorized by ORS 438.310.

30 (10) Failed to continue to meet requirements of ORS 438.110 and 438.120.

31 (11) Violated any provision of ORS 438.010 to 438.510.

32 **SECTION 1009.** ORS 438.210 is amended to read:

33 438.210. A person is qualified to act as a laboratory director of a clinical laboratory if:

34 (1) The person is a pathologist certified in clinical or anatomical pathology by a national or-
35 ganization or organizations recognized by the Oregon [Health Authority] **Department of Health**, or
36 is a physician who possesses qualifications equivalent to those required for such certification;

37 (2) The person is a physician who possesses special qualifications that enable the person to
38 perform as a laboratory director, or is directing a laboratory on January 1, 1970;

39 (3) The person has an earned degree of Doctor of Science or Doctor of Philosophy, or an ac-
40 ceptable degree as determined by the [authority] **department**, from an accredited college or uni-
41 versity, with a major in the chemical, physical, or biological sciences and possesses special
42 qualifications as described in the administrative rules of the [authority] **department** that enable the
43 person to perform as a laboratory director;

44 (4) The person is a member of a group of five or more physicians who operate on November 4,
45 1993, a laboratory performing work only on their patients and is the member designated by the

1 group to be the director; or

2 (5) The person was responsible for the direction of a clinical laboratory for at least 12 months
3 within the five years preceding January 1, 1970, and has had at least two years of pertinent clinical
4 laboratory experience, as determined by the [authority] **department**.

5 **SECTION 1010.** ORS 438.310 is amended to read:

6 438.310. (1) The Oregon [Health Authority] **Department of Health** or its authorized represen-
7 tative may:

8 (a) At reasonable times enter the premises of a clinical laboratory licensed or subject to being
9 licensed under ORS 438.010 to 438.510 to inspect the facilities, methods, procedures, materials, staff,
10 equipment, laboratory results and records of the clinical laboratory.

11 (b) Require the owner or director to submit reports on the operations and procedures of the
12 laboratory.

13 (c) Require the owner or director to submit initial laboratory findings indicative of
14 communicable disease as defined by law or by rule. Each report shall include the name of the person
15 from whom the specimen was obtained, if the name was reported to the laboratory, and the name
16 and address of the physician for whom such examination or test was made. Such reports shall not
17 be construed as constituting a diagnosis nor shall any laboratory making such report be held liable
18 under the laws of this state for having violated a trust or confidential relationship.

19 (2) The Director of the Oregon [Health Authority] **Department of Health** or a designee, the
20 [authority] **department**, or any employee thereof, shall not disclose information contained in reports
21 on communicable diseases submitted to the [authority] **department** under subsection (1) of this sec-
22 tion except as such information is made available to employees of the [authority] **department** and
23 to local health officers for purposes of administering the public health laws of this state. However,
24 information contained in such reports may be used in compiling statistical and other data in which
25 persons are not identified by name or otherwise.

26 (3) The [authority] **department** shall by rule set standards for the recognition of private labo-
27 ratory accrediting organizations whose standards meet or exceed federal standards. A laboratory
28 that is accredited by a private laboratory accrediting organization recognized by the [authority]
29 **department** under this section may submit proof of such accreditation to the [authority] **depart-**
30 **ment**. Upon receipt of such proof, the [authority] **department** shall issue a license pursuant to ORS
31 438.130.

32 **SECTION 1011.** ORS 438.320 is amended to read:

33 438.320. (1) The Oregon [Health Authority] **Department of Health** shall institute a laboratory
34 evaluation system, as defined in ORS 438.010, and shall make such rules as are necessary to insure
35 quality control of laboratory work.

36 (2) As part of this system, the [authority] **department** may require each laboratory to:

37 (a) Participate in on-site inspection and testing;

38 (b) Analyze test samples submitted by the [authority] **department** prior to, during or subsequent
39 to the inspection; and

40 (c) Contract with, at the laboratory's own expense, [an authority] **a department**-approved source
41 of test samples for such test samples to be submitted periodically to the laboratory and to be re-
42 turned to that source for grading after testing. The test results shall be made available to the [au-
43 thority] **department**.

44 (3) The procedures under subsection (2) of this section shall be referred to as external quality
45 control. The samples are to be tested by regularly assigned personnel using routine methods. The

1 test samples shall be confined to the specialty of the laboratory as indicated on the license. A
2 specified time shall be allowed for such testing and reporting of the results and shall be the time
3 required under conditions of normal operation.

4 (4) In addition to external quality control, each clinical laboratory shall establish an internal
5 laboratory quality control system pursuant to rules of the [authority] **department** including but not
6 necessarily limited to the testing of reference or control sera and other biological samples, verifying
7 concurrent calibration standards and control charts recordings, and reporting on its control system
8 as required by the [authority] **department**.

9 **SECTION 1012.** ORS 438.420 is amended to read:

10 438.420. When the control or release of a case contact or carrier of a communicable disease is
11 dependent on laboratory findings, the health officer may require such findings to be obtained by a
12 clinical laboratory licensed by the Oregon [Health Authority] **Department of Health**.

13 **SECTION 1013.** ORS 438.435 is amended to read:

14 438.435. (1) In addition to duties which a clinical laboratory may perform under ORS 438.010 to
15 438.510, a laboratory is authorized to perform appropriate tests, examinations or analyses on mate-
16 rials derived from the human body for the purpose of detecting substances of abuse in the body. All
17 laboratories performing the tests, examinations or analyses must be licensed under the provisions
18 of ORS 438.010 to 438.510 and must employ qualified technical personnel to perform the tests, ex-
19 aminations and analyses.

20 (2) In order to perform such tests, examinations or analyses, the laboratory may examine speci-
21 mens submitted by persons other than those described in ORS 438.430 (1) and shall report the result
22 of any test, examination or analysis to the person who submitted the specimen. When the substance
23 of abuse test is for nonmedical employment or pre-employment purposes, and a written request is
24 provided, the test result shall be reported to the person from whom the specimen was originally
25 obtained.

26 (3) When the specimen of a person tested for substances of abuse is submitted to the laboratory
27 and the test result is positive, the laboratory shall perform a confirming test which has been desig-
28 nated by rule of the Oregon [Health Authority] **Department of Health** as the best available tech-
29 nology for use to determine whether or not the substance of abuse identified by the first test is
30 present in the specimen prior to reporting the test results.

31 (4) The [authority] **department** by rule shall set standards for special category laboratories that
32 engage only in the initial testing for substances of abuse in the body, including registration proce-
33 dures for such laboratories and personnel.

34 (5) The operator of a substances of abuse on-site screening facility may use substances of abuse
35 on-site screening tests if the test results are not for use in diagnosing or preventing disease and are
36 not for use by physicians, dentists or other licensed health care professionals in treating humans.
37 Any entity using the test shall pay a yearly filing fee, not to exceed \$50, and file a registration form
38 as provided by rule of the [authority] **department** that:

39 (a) States the current name and address of the entity, the telephone number of the entity, if any,
40 and the name of a contact individual at each on-site facility operated by the entity; and

41 (b) Certifies that:

42 (A) The tests are being administered according to the federal Food and Drug Administration
43 package insert that accompanies the test;

44 (B) The tests are being administered according to the instructions of the manufacturer;

45 (C) Custody chain procedures are being followed;

1 (D) Operators of the substances of abuse on-site screening facility are trained in the use of the
2 substances of abuse on-site screening tests by the manufacturer; and

3 (E) If the substances of abuse on-site screening facility obtains a positive test result on a spec-
4 imen and the entity indicates that the test result is to be used to deny or deprive any person of
5 employment or any benefit, or may otherwise result in adverse employment action, the same speci-
6 men shall be submitted to a clinical laboratory licensed under ORS 438.110 and 438.150 or an
7 equivalent out-of-state facility and the presence of a substance of abuse confirmed prior to release
8 of the on-site test result.

9 (6) The *[authority]* **department** by rule shall set reasonable standards for the screening by
10 correctional agencies of adults in custody within state and local correctional facilities and offenders
11 on parole, probation or post-prison supervision for substances of abuse. The standards shall include,
12 but not be limited to, the establishment of written procedures and protocols, the qualifications and
13 training of individuals who perform screening tests, the approval of specific technologies and the
14 minimum requirements for record keeping, quality control and confirmation of positive screening
15 results.

16 (7) If an initial test by a special category laboratory under subsection (4) of this section or a
17 special category screening under subsection (6) of this section shows a result indicating the presence
18 of a substance of abuse in the body, a confirmatory test shall be conducted in a licensed clinical
19 laboratory if the results are to be used to deprive or deny any person of any employment or benefit.
20 If a screening test of an adult in custody in a state or local correctional facility is positive for a
21 substance of abuse, the adult in custody may be held in a secure facility pending the outcome of the
22 confirmatory test. If the confirmatory test is positive, the adult in custody may be held in a secure
23 facility pending the outcome of any hearing to determine what action will be taken.

24 (8) If any test for substances of abuse is performed outside this state the results of which are
25 to be used to deprive or deny any person any employment or any benefit, the person desiring to use
26 the test shall have the burden to show that the testing procedure used meets or exceeds the testing
27 standards of this state.

28 **SECTION 1014.** ORS 438.440 is amended to read:

29 438.440. All moneys received by the Oregon *[Health Authority]* **Department of Health** under
30 ORS 438.010 to 438.510 and 438.990 shall be credited to the Public Health Account and shall be used
31 for payment of the expenses of the *[authority]* **department** in administering the provisions of ORS
32 438.010 to 438.510 and 438.990.

33 **SECTION 1015.** ORS 438.450 is amended to read:

34 438.450. The Oregon *[Health Authority]* **Department of Health** shall make such rules as are
35 necessary for carrying out ORS 438.010 to 438.510 in accordance with ORS 183.330.

36 **SECTION 1016.** ORS 438.605 is amended to read:

37 438.605. As used in ORS 438.605 to 438.620, 448.280 and 448.285:

38 (1) "Accrediting authority" means the official accrediting authority for the Oregon environ-
39 mental laboratory accreditation program comprised of the Director of the Oregon *[Health*
40 *Authority]* **Department of Health** or designee, the Director of the Department of Environmental
41 Quality or designee and the Director of Agriculture or designee.

42 [(2) "Authority" means the Oregon Health Authority.]

43 [(3)] (2) "Environmental laboratory" means a fixed location or mobile facility that performs
44 chemical, physical, radiological, microbiological or biological testing of environmental samples or
45 the collection of environmental samples.

1 [(4)] (3) “Environmental testing” means laboratory analysis of any matter, pollutant, contam-
2 inant or hazardous substance subject to regulation pursuant to:

3 (a) Rules adopted or enforced by the Oregon [*Health Authority*] **Department of Health**, the
4 Department of Environmental Quality or the State Department of Agriculture; or

5 (b) A federal environmental statute or regulation administered or enforced by the United States
6 Environmental Protection Agency.

7 **SECTION 1017.** ORS 438.610 is amended to read:

8 438.610. (1) The Oregon [*Health Authority*] **Department of Health**, in concurrence with the ac-
9 crediting authority, may adopt by rule standards for any laboratory seeking accreditation and per-
10 forming environmental testing for a fee or for determining compliance with environmental statutes,
11 rules or regulations.

12 (2) In developing standards under subsection (1) of this section, the [*authority*] **department** shall
13 cooperate with and may seek advice from the United States Environmental Protection Agency and
14 any other state or federal agency that may have adopted rules or regulations for environmental
15 monitoring.

16 (3) The standards adopted under this section may address testing and sampling procedures or
17 methods, record keeping, disposal or retention of testing materials or samples, or any other practice
18 related to work performed by an environmental laboratory.

19 **SECTION 1018.** ORS 438.615 is amended to read:

20 438.615. The Oregon [*Health Authority*] **Department of Health**, in concurrence with the ac-
21 crediting authority, shall establish by rule and implement an environmental laboratory accreditation
22 program. The standards for accreditation may be equivalent to, but may not exceed, standards
23 adopted by national accreditation programs.

24 **SECTION 1019.** ORS 438.620 is amended to read:

25 438.620. (1) In conjunction with the environmental laboratory accreditation program established
26 under ORS 438.615, the Oregon [*Health Authority*] **Department of Health** may establish and collect
27 a fee for laboratory accreditation under the program. A fee imposed under this section shall not
28 exceed the cost of administering the program.

29 (2) Prior to imposing the fee under subsection (1) of this section, the [*authority*] **Oregon De-**
30 **partment of Health** shall obtain the approval of the Oregon Department of Administrative Services
31 and report to the appropriate legislative committee.

32 (3) All moneys collected by the Oregon [*Health Authority*] **Department of Health** under this
33 section shall be deposited in a dedicated account of the [*authority*] **department**. Such moneys are
34 continuously appropriated to the Oregon [*Health Authority*] **Department of Health** to pay the costs
35 of the [*authority*] **department**, the State Department of Agriculture and the Department of Envi-
36 ronmental Quality in administering the environmental laboratory accreditation program established
37 under ORS 438.615.

38 **SECTION 1020.** ORS 438.710 is amended to read:

39 438.710. (1) A person may not act as a nontransplant anatomical research recovery organization
40 unless the person is licensed as a nontransplant anatomical research recovery organization by the
41 Oregon [*Health Authority*] **Department of Health**.

42 (2) The [*authority*] **department** shall adopt rules establishing an application process and fees for
43 obtaining and renewing a nontransplant anatomical research recovery organization license. The fee
44 for obtaining or renewing a license under this subsection may not exceed \$1,750.

45 (3) A license issued or renewed under this section expires two years after the date of issuance

1 or renewal.

2 (4) The license required by this section is in addition to and not in lieu of any other license
3 required by law.

4 (5) The [authority] **department** shall deposit fees collected under this section into the Oregon
5 [Health Authority] **Department of Health** Fund established in ORS 413.101. Moneys deposited in the
6 fund under this subsection are continuously appropriated to the [authority] **department** for the
7 purposes of carrying out the duties, functions and powers of the [authority] **department** under ORS
8 438.705 to 438.720 and 438.994.

9 **SECTION 1021.** ORS 438.720 is amended to read:

10 438.720. (1) The Oregon [Health Authority] **Department of Health** may:

11 (a) Adopt rules to implement ORS 438.705 to 438.720 and 438.994;

12 (b) Inspect the premises and records of a nontransplant anatomical research recovery organiza-
13 tion as is reasonably necessary to determine compliance with ORS 438.710 and 438.715; and

14 (c) In lieu of conducting inspections authorized under paragraph (b) of this subsection, accept
15 accreditation from an accrediting body approved by the [authority] **department**.

16 (2) To be approved under subsection (1)(c) of this section, an accrediting body must:

17 (a) Require a nontransplant anatomical research recovery organization to document processes
18 related to the recovery, handling and distribution of anatomical material and submit to the accred-
19 iting body that documentation.

20 (b) Require a nontransplant anatomical research recovery organization to keep and maintain all
21 records related to the recovery or distribution of anatomical material for at least 10 years.

22 (c) Conduct, or have a designee conduct, regular on-site compliance inspections of a
23 nontransplant anatomical research recovery organization's records, processes and materials relating
24 to:

25 (A) Donor intake;

26 (B) Acquisition, preparation, labeling, packaging, storage and distribution of anatomical mate-
27 rial; and

28 (C) Any inspection of a facility owned or operated by the nontransplant anatomical research
29 recovery organization.

30 **SECTION 1022.** ORS 438.994 is amended to read:

31 438.994. (1) In accordance with ORS chapter 183, the Oregon [Health Authority] **Department**
32 **of Health** may:

33 (a) Impose a civil penalty in an amount not to exceed \$1,000 for each violation of ORS 438.710
34 or 438.715; and

35 (b) Suspend or revoke a license issued or renewed under ORS 438.710 for a violation of ORS
36 438.715.

37 (2) The [authority] **department** shall deposit penalties collected under this section into the
38 Oregon [Health Authority] **Department of Health** Fund established in ORS 413.101. Moneys depos-
39 ited in the fund under this subsection are continuously appropriated to the [authority] **department**
40 for the purposes of carrying out the duties, functions and powers of the [authority] **department**
41 under ORS 438.705 to 438.720 and 438.994.

42 **SECTION 1023.** ORS 440.600 is amended to read:

43 440.600. (1) Crook, Deschutes and Jefferson Counties may form a Central Oregon Health Council
44 when the governing body of each of the counties adopts a resolution signifying the body's intention
45 to do so.

(2) A county that is adjacent to Crook, Deschutes or Jefferson County may join the council if:

(a) The governing body of the county seeking to join the council adopts a resolution signifying the body's intention to include a portion of that county in the region served by the council;

(b) The portion of the county to be included in the region is part of a natural health care referral pattern with the other counties on the council; and

(c) The Oregon [*Health Authority*] **Department of Health** and the council approve.

SECTION 1024. ORS 440.603 is amended to read:

440.603. (1) As used in this section, "regional health improvement plan" means a four-year comprehensive, coordinated regional plan incorporating and replacing all health and human service plans prescribed by the Oregon [*Health Authority*] **Department of Health**, including but not limited to:

(a) Plans required under ORS 430.630, 430.640 and 624.510; and

(b) The community health assessment and community health improvement plan described in ORS 414.575.

(2)(a) The Central Oregon Health Council shall conduct a regional health assessment and adopt a regional health improvement plan to serve as a strategic population health and health care system service plan for the region served by the council. The plan must define the scope of the activities, services and responsibilities that the council proposes to assume upon implementation of the plan.

(b) The activities, services and responsibilities that the council proposes to assume under the plan may include, but are not limited to:

(A) Analysis and development of public and private resources, capacities and metrics based on ongoing regional health assessment activities and population health priorities;

(B) Health policy;

(C) System design;

(D) Outcome and quality improvement;

(E) Integration of service delivery; and

(F) Workforce development.

(3) The council shall submit the plan adopted under subsection (2) of this section to the [*authority*] **department** for approval. The [*authority*] **department** may approve the plan or return it to the council for modification prior to approval.

(4) The regional health improvement plan adopted under this section shall serve as a guide for entities serving medical assistance recipients, public health authorities, mental health authorities, health care systems, payer groups, provider groups and health coalitions in the counties served by the council.

SECTION 1025. ORS 440.604 is amended to read:

440.604. (1) By September 1, 2011, the Oregon [*Health Authority*] **Department of Health** shall adopt by rule requirements for the regional health improvement plan adopted under ORS 440.603.

(2) The Oregon [*Health Authority*] **Department of Health** shall adopt rules:

(a) Necessary to implement ORS 440.600 to 440.603; and

(b) That allow for the consolidation of planning and reporting requirements of the [*authority*] **department** under ORS 440.603.

SECTION 1026. ORS 441.020 is amended to read:

441.020. (1) Licenses for health care facilities, except long term care facilities as defined in ORS 442.015, must be obtained from the Oregon [*Health Authority*] **Department of Health**.

(2) Licenses for long term care facilities must be obtained from the Department of Human Ser-

1 vices.

2 (3) Applications shall be upon such forms and shall contain such information as the [authority
3 or the department] **Oregon Department of Health or the Department of Human Services** may
4 reasonably require, which may include affirmative evidence of ability to comply with such reason-
5 able standards and rules as may lawfully be prescribed under ORS 441.025.

6 (4)(a) Each application submitted to the Oregon [Health Authority] **Department of Health** must
7 be accompanied by the license fee. If the license is denied, the fee shall be refunded to the applicant.
8 If the license is issued, the fee shall be paid into the State Treasury to the credit of the Oregon
9 [Health Authority] **Department of Health** Fund for the purpose of carrying out the functions of the
10 Oregon [Health Authority] **Department of Health** under and enforcing ORS 441.015 to 441.087; or

11 (b) Each application submitted to the Department of Human Services must be accompanied by
12 the application fee or the annual renewal fee, as applicable. If the license is denied, the fee shall
13 be refunded to the applicant. If the license is issued, the fee shall be paid into the State Treasury
14 to the credit of the Department of Human Services Account for the purpose of carrying out the
15 functions of the Department of Human Services under and enforcing ORS 431A.050 to 431A.080 and
16 441.015 to 441.087.

17 (5) Except as otherwise provided in subsection (8) of this section, for hospitals with:

18 (a) Fewer than 26 beds, the annual license fee shall be \$1,250.

19 (b) Twenty-six beds or more but fewer than 50 beds, the annual license fee shall be \$1,850.

20 (c) Fifty or more beds but fewer than 100 beds, the annual license fee shall be \$3,800.

21 (d) One hundred beds or more but fewer than 200 beds, the annual license fee shall be \$6,525.

22 (e) Two hundred or more beds, but fewer than 500 beds, the annual license fee shall be \$8,500.

23 (f) Five hundred or more beds, the annual license fee shall be \$12,070.

24 (6) A hospital shall pay an annual fee of \$750 for each hospital satellite indorsed under the
25 hospital's license.

26 (7) The [authority] **Oregon Department of Health** may charge a reduced hospital fee or hospi-
27 tal satellite fee if the [authority] **department** determines that charging the standard fee constitutes
28 a significant financial burden to the facility.

29 (8) For long term care facilities with:

30 (a) One to 15 beds, the application fee shall be \$2,000 and the annual renewal fee shall be \$1,000.

31 (b) Sixteen to 49 beds, the application fee shall be \$3,000 and the annual renewal fee shall be
32 \$1,500.

33 (c) Fifty to 99 beds, the application fee shall be \$4,000 and the annual renewal fee shall be
34 \$2,000.

35 (d) One hundred to 150 beds, the application fee shall be \$5,000 and the annual renewal fee shall
36 be \$2,500.

37 (e) More than 150 beds, the application fee shall be \$6,000 and the annual renewal fee shall be
38 \$3,000.

39 (9) For ambulatory surgical centers, the annual license fee shall be:

40 (a) \$1,750 for certified and high complexity noncertified ambulatory surgical centers with more
41 than two procedure rooms.

42 (b) \$1,250 for certified and high complexity noncertified ambulatory surgical centers with no
43 more than two procedure rooms.

44 (c) \$1,000 for moderate complexity noncertified ambulatory surgical centers.

45 (10) For birthing centers, the annual license fee shall be \$750.

1 (11) For outpatient renal dialysis facilities, the annual license fee shall be \$2,000.

2 (12) The [authority] **department** shall prescribe by rule the fee for licensing an extended stay
3 center, not to exceed:

4 (a) An application fee of \$25,000; and

5 (b) An annual renewal fee of \$5,000.

6 (13) During the time the licenses remain in force, holders are not required to pay inspection fees
7 to any county, city or other municipality.

8 (14) Any health care facility license may be indorsed to permit operation at more than one lo-
9 cation. If so, the applicable license fee shall be the sum of the license fees that would be applicable
10 if each location were separately licensed. The [authority] **department** may include hospital satellites
11 on a hospital's license in accordance with rules adopted by the [authority] **department**.

12 (15) Licenses for health maintenance organizations shall be obtained from the Director of the
13 Department of Consumer and Business Services pursuant to ORS 731.072.

14 (16) Notwithstanding subsection (4) of this section, all moneys received for approved applications
15 pursuant to subsection (8) of this section shall be deposited in the Quality Care Fund established in
16 ORS 443.001.

17 (17) As used in this section:

18 (a) "Hospital satellite" has the meaning prescribed by the [authority] **Oregon Department of**
19 **Health** by rule.

20 (b) "Procedure room" means a room where surgery or invasive procedures are performed.

21 **SECTION 1027.** ORS 441.021 is amended to read:

22 441.021. (1) In addition to an annual fee, the Oregon [Health Authority] **Department of Health**
23 may charge a hospital a fee for:

24 (a) Complaint investigation, in an amount not to exceed \$850.

25 (b) Full compliance survey, in an amount not to exceed \$7,520.

26 (c) On-site follow-up survey to verify compliance with a plan of correction, in an amount not to
27 exceed \$225.

28 (d) Off-site follow-up survey to verify compliance with a plan of correction, in an amount not to
29 exceed \$85.

30 (2) During one calendar year, the [authority] **department** may charge to all hospitals a total
31 amount not to exceed:

32 (a) \$91,000 for complaint investigations.

33 (b) \$15,000 for full compliance surveys.

34 (c) \$6,700 for follow-up surveys.

35 (3)(a) The [authority] **department** shall apportion the total amount charged under subsection (2)
36 of this section among hospitals at the end of each calendar year based on the number of complaint
37 investigations, full compliance surveys and follow-up surveys performed at each hospital during the
38 calendar year.

39 (b) The [authority] **department** may not include investigations of employee complaints in a
40 hospital's total number of complaint investigations.

41 (c) A hospital may not be charged fees in any calendar year under subsection (2) of this section
42 for more complaint investigations than the greater of:

43 (A) The rolling average for the hospital for the previous three years; or

44 (B) Two complaint investigations for a small hospital and five complaint investigations for a
45 large hospital.

1 (d) Notwithstanding paragraph (c) of this subsection, the [authority] **department** may not charge
 2 a hospital for a number of complaint investigations that exceeds the number of complaint investi-
 3 gations actually conducted at the hospital during the calendar year.

4 (4) As used in this section, “full compliance survey” means a survey conducted by the
 5 [authority] **department** following a complaint investigation to determine a hospital’s compliance
 6 with the Centers for Medicare and Medicaid Services Conditions of Participation.

7 **SECTION 1028.** ORS 441.022 is amended to read:

8 441.022. In determining whether to license a health care facility pursuant to ORS 441.025, the
 9 Oregon [Health Authority] **Department of Health** or the Department of Human Services shall con-
 10 sider only factors relating to the health and safety of individuals to be cared for therein and the
 11 ability of the operator of the health care facility to safely operate the facility, and may not consider
 12 whether the health care facility is or will be a governmental, charitable or other nonprofit institu-
 13 tion or whether the facility is or will be an institution for profit.

14 **SECTION 1029.** ORS 441.025 is amended to read:

15 441.025. (1)(a) Upon receipt of a license fee and an application to operate a health care facility
 16 other than a long term care facility, the Oregon [Health Authority] **Department of Health** shall
 17 review the application and conduct an in-person site inspection of the health care facility. The [au-
 18 thority] **department** shall issue a license if it finds that the applicant and health care facility comply
 19 with ORS 441.015 to 441.087 and the rules of the [authority] **department** provided that the
 20 [authority] **department** does not receive within the time specified a certificate of noncompliance
 21 issued by the State Fire Marshal, deputy, or approved authority pursuant to ORS 479.215.

22 (b) The [authority] **department** shall, following payment of the fee, annually renew each license
 23 issued under this subsection unless:

24 (A) The health care facility’s license has been suspended or revoked; or

25 (B) The State Fire Marshal, a deputy or an approved authority has issued a certificate of non-
 26 compliance pursuant to ORS 479.215.

27 (2)(a) Upon receipt of a license fee and an application to operate a long term care facility, the
 28 Department of Human Services shall review the application and conduct an in-person site inspection
 29 of the long term care facility, including an inspection of the kitchen and other areas where food is
 30 prepared for residents. The department shall issue a license if the department finds that the appli-
 31 cant and long term care facility comply with ORS 441.015 to 441.087 and the rules of the department
 32 provided that it does not receive within the time specified a certificate of noncompliance issued by
 33 the State Fire Marshal, deputy, or approved authority pursuant to ORS 479.215.

34 (b) The department shall, following an in-person site inspection and payment of the fee, annually
 35 renew each license issued under this subsection unless:

36 (A) The long term care facility’s license has been suspended or revoked;

37 (B) The long term care facility is found not to be in substantial compliance, following the in-
 38 person site inspection, with ORS 441.015 to 441.087 and 443.012 and the rules of the department;

39 (C) The long term care facility has failed an inspection of the kitchen or other areas where food
 40 is prepared for residents that was conducted by the department in accordance with ORS 443.417,
 41 except as provided in ORS 443.417 (2); or

42 (D) The State Fire Marshal, a deputy or an approved authority has issued a certificate of non-
 43 compliance pursuant to ORS 479.215.

44 (3) Each license shall be issued only for the premises and persons or governmental units named
 45 in the application and shall not be transferable or assignable.

1 (4) Licenses shall be posted in a conspicuous place on the licensed premises as prescribed by
2 rule of the *[authority or the department]* **Oregon Department of Health or the Department of**
3 **Human Services.**

4 (5) No license shall be issued or renewed for any health care facility or health maintenance
5 organization that is required to obtain a certificate of need under ORS 442.315 until a certificate
6 of need has been granted. An ambulatory surgical center is not subject to the certificate of need
7 requirements in ORS 442.315.

8 (6) No license shall be issued or renewed for any skilled nursing facility or intermediate care
9 facility, unless the applicant has included in the application the name and such other information
10 as may be necessary to establish the identity and financial interests of any person who has incidents
11 of ownership in the facility representing an interest of 10 percent or more thereof. If the person
12 having such interest is a corporation, the name of any stockholder holding stock representing an
13 interest in the facility of 10 percent or more shall also be included in the application. If the person
14 having such interest is any other entity, the name of any member thereof having incidents of own-
15 ership representing an interest of 10 percent or more in the facility shall also be included in the
16 application.

17 (7) A license may be denied to any applicant for a license or renewal thereof or any stockholder
18 of any such applicant who has incidents of ownership in the health care facility representing an
19 interest of 10 percent or more thereof, or an interest of 10 percent or more of a lease agreement for
20 the facility, if during the five years prior to the application the applicant or any stockholder of the
21 applicant had an interest of 10 percent or more in the facility or of a lease for the facility and has
22 divested that interest after receiving from the *[authority or the department]* **Oregon Department**
23 **of Health or the Department of Human Services** written notice that the *[authority or the de-*
24 *partment]* **Oregon Department of Health or the Department of Human Services** intends to sus-
25 pend or revoke the license or to decertify the facility from eligibility to receive payments for
26 services provided under this section.

27 (8) The Department of Human Services may not issue or renew a license for a long term care
28 facility, unless the applicant has included in the application the identity of any person who has in-
29 cident of ownership in the long term care facility who also has a financial interest in any pharmacy,
30 as defined in ORS 689.005.

31 (9) The *[authority]* **Oregon Department of Health** shall adopt rules for each type of health care
32 facility, except long term care facilities, to carry out the purposes of ORS 441.015 to 441.087 in-
33 cluding, but not limited to:

34 (a) Establishing classifications and descriptions for the different types of health care facilities
35 that are licensed under ORS 441.015 to 441.087; and

36 (b) Standards for patient care and safety, adequate professional staff organizations, training of
37 staff for whom no other state regulation exists, suitable delineation of professional privileges and
38 adequate staff analyses of clinical records.

39 (10) The *[department]* **Department of Human Services** shall adopt rules for each type of long
40 term care facility to carry out the purposes of ORS 441.015 to 441.087 including, but not limited to:

41 (a) Establishing classifications and descriptions for the different types of long term care facili-
42 ties that are licensed under ORS 441.015 to 441.087;

43 (b) Standards for patient care and safety, adequate professional staff organizations, training of
44 staff for whom no other state regulation exists, suitable delineation of professional privileges and
45 adequate staff analyses of clinical records; and

1 (c) Rules to ensure that a long term care facility complies with ORS 443.012.

2 (11) The [authority or department] **Oregon Department of Health or the Department of Hu-**
 3 **man Services** may not adopt a rule requiring a health care facility to serve a specific food as long
 4 as the necessary nutritional food elements are present in the food that is served.

5 (12) A health care facility licensed by the [authority or department] **Oregon Department of**
 6 **Health or the Department of Human Services** may not:

7 (a) Offer or provide services beyond the scope of the license classification assigned by the [au-
 8 thority or department] **Oregon Department of Health or the Department of Human Services**; or

9 (b) Assume a descriptive title or represent itself under a descriptive title other than the classi-
 10 fication assigned by the [authority or department] **Oregon Department of Health or the Depart-**
 11 **ment of Human Services**.

12 (13) A health care facility must reapply for licensure to change the classification assigned or the
 13 type of license issued by the [authority or department] **Oregon Department of Health or the De-**
 14 **partment of Human Services**.

15 **SECTION 1030.** ORS 441.026 is amended to read:

16 441.026. (1) As used in this section:

17 (a) "Extended stay center" means a facility that provides extended stay services.

18 (b) "Extended stay services" means post-surgical and post-diagnostic medical and nursing ser-
 19 vices provided to a patient who is recovering from a surgical procedure performed in an ambulatory
 20 surgical center.

21 (c) "Local hospital" has the meaning given that term in rules adopted by the Oregon [Health
 22 Authority] **Department of Health** that are consistent with federal requirements.

23 (d) "Operating room" has the meaning given that term in rules adopted by the [authority] **de-**
 24 **partment**.

25 (2) The [authority] **department** shall adopt rules and procedures for the licensing of extended
 26 stay centers to ensure that each licensed extended stay center:

27 (a) Is affiliated with a facility:

28 (A) That is licensed by the [authority] **department** as an ambulatory surgical center;

29 (B) Whose license is in good standing with the [authority] **department**; and

30 (C) That meets the criteria in subsection (3) of this section;

31 (b) Has no more than two recovery beds for each operating room that is in its affiliated
 32 ambulatory surgical center and a total of no more than 10 recovery beds;

33 (c) Discharges patients within 48 hours from the time of admission to the ambulatory surgical
 34 center;

35 (d)(A) Has an agreement with at least one local hospital that has the capabilities to treat pa-
 36 tients requiring medical care that exceeds the capabilities of the extended stay center and the
 37 agreement complies with the federal requirements applicable to patient transfer agreements between
 38 ambulatory surgical centers and local hospitals; or

39 (B) Is affiliated with an ambulatory surgical center in which all of the physicians performing
 40 surgeries have admitting privileges at a local hospital that has the capabilities to treat patients re-
 41 quiring medical care that exceeds the capabilities of the extended stay center;

42 (e) Conforms to all patient safety and facility requirements adopted by the [authority] **depart-**
 43 **ment** by rule;

44 (f) Uses admission criteria based only on the extended stay center's:

45 (A) Medical screening criteria;

- 1 (B) Evidence-based surgery guidelines; or
- 2 (C) Patient safety standards;
- 3 (g) Orally and in writing, clearly notifies patients with Medicare coverage of the services pro-
- 4 vided by the extended stay center that are not covered by Medicare;
- 5 (h) Reports data and metrics to the [authority] **department** as prescribed by the [authority] **de-**
- 6 **partment** by rule, including but not limited to the:
- 7 (A) Types of procedures performed at the affiliated ambulatory surgical center for which pa-
- 8 tients are transferred to the extended stay center for recovery;
- 9 (B) Average duration of patient stays at the extended stay center;
- 10 (C) Medical acuity of the patients served by the extended stay center;
- 11 (D) Types of payers that reimburse services provided at the extended stay center and the per-
- 12 centage of each payer type in the total number of payers; and
- 13 (E) Frequency and cause of patient transfers from the extended stay center to a hospital; and
- 14 (i) Is located within an urban area as defined by the Office of Rural Health.
- 15 (3) The ambulatory surgical center that is affiliated with an extended stay center must:
- 16 (a) Not be affiliated with any other licensed extended stay center;
- 17 (b) Be physically contiguous with the extended stay center;
- 18 (c) Have demonstrated safe operating procedures in an outpatient surgery setting for no less
- 19 than 24 consecutive months;
- 20 (d) Be certified by the Centers for Medicare and Medicaid Services as participating in the
- 21 ambulatory surgical center quality reporting program administered by the Centers for Medicare and
- 22 Medicaid Services; and
- 23 (e) Be accredited by a national accrediting organization approved by the [authority]
- 24 **department**.
- 25 (4) The [authority] **department** shall mitigate barriers to and facilitate the reimbursement of
- 26 extended stay centers with medical assistance funds.
- 27 **SECTION 1031.** ORS 441.030 is amended to read:
- 28 441.030. (1) The Oregon [Health Authority] **Department of Health** or the Department of Human
- 29 Services may assess a civil penalty and, pursuant to ORS 479.215, shall deny, suspend or revoke a
- 30 license, in any case where the State Fire Marshal, or the representative of the State Fire Marshal,
- 31 certifies that there is a failure to comply with all applicable laws, lawful ordinances and rules re-
- 32 lating to safety from fire.
- 33 (2) The [authority] **Oregon Department of Health** may:
- 34 (a) Assess a civil penalty or deny, suspend or revoke a license of a health care facility other
- 35 than a long term care facility in any case where it finds that there has been a substantial failure
- 36 to comply with ORS 441.015 to 441.087 or the rules or minimum standards adopted under ORS
- 37 441.015 to 441.087.
- 38 (b) Assess a civil penalty or suspend or revoke a license issued under ORS 441.025 for failure
- 39 to comply with an [authority] **Oregon Department of Health** order arising from a health care
- 40 facility's substantial lack of compliance with the provisions of ORS 441.015 to 441.087 or 441.152 to
- 41 441.177 or the rules adopted under ORS 441.015 to 441.087 or 441.152 to 441.177.
- 42 (c) Suspend or revoke a license issued under ORS 441.025 for failure to pay a civil penalty im-
- 43 posed under ORS 441.175.
- 44 (3) The [department] **Department of Human Services** may:
- 45 (a) Assess a civil penalty or deny, suspend or revoke a long term care facility's license in any

1 case where it finds that there has been a substantial failure to comply with ORS 441.015 to 441.087
2 or the rules or minimum standards adopted under ORS 441.015 to 441.087.

3 (b) Assess a civil penalty or suspend or revoke a long term care facility's license issued under
4 ORS 441.025 for failure to comply with a [department] **Department of Human Services** order aris-
5 ing from a long term care facility's substantial lack of compliance with the provisions of ORS
6 441.015 to 441.087 or the rules adopted under ORS 441.015 to 441.087.

7 (c) Suspend or revoke a license issued under ORS 441.025 for failure to pay a civil penalty im-
8 posed under ORS 441.710.

9 (d) Order a long term care facility licensed under ORS 441.025 to restrict the admission of pa-
10 tients when the department finds an immediate threat to patient health and safety arising from
11 failure of the long term care facility to be in compliance with ORS 441.015 to 441.087 and the rules
12 adopted under ORS 441.015 to 441.087.

13 (4) Any long term care facility that has been ordered to restrict the admission of patients pur-
14 suant to subsection (3)(d) of this section shall post a notice of the restriction, provided by the de-
15 partment, on all doors providing ingress to and egress from the facility, for the duration of the
16 restriction.

17 **SECTION 1032.** ORS 441.037 is amended to read:

18 441.037. (1) When the Oregon [Health Authority] **Department of Health** or the Department of
19 Human Services proposes to refuse to issue or renew a license, or proposes to revoke or suspend a
20 license, opportunity for hearing shall be accorded as provided in ORS chapter 183.

21 (2) Adoption of rules, conduct of hearings, issuance of orders and judicial review of rules and
22 orders shall be in accordance with ORS chapter 183.

23 **SECTION 1033.** ORS 441.038 is amended to read:

24 441.038. (1) Notwithstanding the existence and pursuit of any other remedy, the Oregon [Health
25 Authority] **Department of Health** may, in the manner provided by law, maintain an action in the
26 name of the state for injunction or other process against any person or governmental unit to re-
27 strain or prevent the establishment, conduct, management or operation of a health care facility or
28 health maintenance organization without a license.

29 (2) Notwithstanding the existence and pursuit of any other remedy, the Department of Human
30 Services may, in the manner provided by law, maintain an action in the name of the state for in-
31 junction or other process against any person or governmental unit to restrain or prevent the es-
32 tablishment, conduct, management or operation of a long term care facility without a license.

33 **SECTION 1034.** ORS 441.044 is amended to read:

34 441.044. (1) Rules adopted pursuant to ORS 441.025 shall include procedures for the filing of
35 complaints as to the standard of care in any health care facility and provide for the confidentiality
36 of the identity of any complainant.

37 (2) A health care facility, or person acting in the interest of the facility, may not take any dis-
38 ciplinary or other adverse action against any employee who in good faith brings evidence of inap-
39 propriate care or any other violation of law or rules to the attention of the proper authority solely
40 because of the employee's action as described in this subsection.

41 (3) Any employee who has knowledge of inappropriate care or any other violation of law or
42 rules shall utilize established reporting procedures of the health care facility administration before
43 notifying the Department of Human Services, Oregon [Health Authority] **Department of Health** or
44 other state agency of the alleged violation, unless the employee believes that patient health or
45 safety is in immediate jeopardy or the employee makes the report to the [department or the

1 *authority*] **Department of Human Services or the Oregon Department of Health** under the
2 confidentiality provisions of subsection (1) of this section.

3 (4) The protection of health care facility employees under subsection (2) of this section shall
4 commence with the reporting of the alleged violation by the employee to the administration of the
5 health care facility or to the *[department, authority]* **Department of Human Services, Oregon**
6 **Department of Health** or other state agency pursuant to subsection (3) of this section.

7 (5) Any person suffering loss or damage due to any violation of subsection (2) of this section has
8 a right of action for damages in addition to other appropriate remedy.

9 (6) The provisions of this section do not apply to a nursing staff, as defined in ORS 441.179, who
10 claims to be aggrieved by a violation of ORS 441.181 committed by a hospital.

11 (7) Information obtained by the *[department or the authority]* **Department of Human Services**
12 **or the Oregon Department of Health** during an investigation of a complaint or reported violation
13 under this section is confidential and not subject to public disclosure under ORS 192.311 to 192.478.
14 Upon the conclusion of the investigation, the *[department or the authority]* **Department of Human**
15 **Services or the Oregon Department of Health** may publicly release a report of the *[department's*
16 *or the authority's]* **Department of Human Services' or the Oregon Department of Health's**
17 findings but may not include information in the report that could be used to identify the complainant
18 or any patient at the health care facility. The *[department or the authority]* **Department of Human**
19 **Services or the Oregon Department of Health** may use any information obtained during an in-
20 vestigation in an administrative or judicial proceeding concerning the licensing of a health care fa-
21 cility, and may report information obtained during an investigation to a health professional
22 regulatory board as defined in ORS 676.160, the Long Term Care Administrators Board, the Board
23 of Licensed Dietitians or the Behavior Analysis Regulatory Board as that information pertains to
24 a licensee of the board.

25 **SECTION 1035.** ORS 441.055 is amended to read:

26 441.055. (1) The governing body of each health care facility shall be responsible for the operation
27 of the facility, the selection of the medical staff and the quality of care rendered in the facility. The
28 governing body shall:

29 (a) Ensure that all health care personnel for whom state licenses, registrations or certificates
30 are required are currently licensed, registered or certified;

31 (b) Ensure that physicians admitted to practice in the facility are granted privileges consistent
32 with their individual training, experience and other qualifications;

33 (c) Ensure that procedures for granting, restricting and terminating privileges exist and that
34 such procedures are regularly reviewed to ensure their conformity to applicable law;

35 (d) Ensure that physicians admitted to practice in the facility are organized into a medical staff
36 in such a manner as to effectively review the professional practices of the facility for the purposes
37 of reducing morbidity and mortality and for the improvement of patient care; and

38 (e) Ensure that a physician is not denied medical staff membership or privileges at the facility
39 solely on the basis that the physician holds medical staff membership or privileges at another health
40 care facility.

41 (2) The physicians organized into a medical staff pursuant to subsection (1) of this section shall
42 propose medical staff bylaws to govern the medical staff. The bylaws shall include, but not be limited
43 to the following:

44 (a) Procedures for physicians admitted to practice in the facility to organize into a medical staff
45 pursuant to subsection (1) of this section;

1 (b) Procedures for ensuring that physicians admitted to practice in the facility are granted
2 privileges consistent with their individual training, experience and other qualifications;

3 (c) Provisions establishing a framework for the medical staff to nominate, elect, appoint or re-
4 move officers and other persons to carry out medical staff activities with accountability to the
5 governing body;

6 (d) Procedures for ensuring that physicians admitted to practice in the facility are currently li-
7 censed by the Oregon Medical Board;

8 (e) Procedures for ensuring that the facility's procedures for granting, restricting and terminat-
9 ing privileges are followed and that such procedures are regularly reviewed to assure their con-
10 formity to applicable law; and

11 (f) Procedures for ensuring that physicians provide services within the scope of the privileges
12 granted by the governing body.

13 (3) Amendments to medical staff bylaws shall be accomplished through a cooperative process
14 involving both the medical staff and the governing body. Medical staff bylaws shall be adopted, re-
15 pealed or amended when approved by the medical staff and the governing body. Approval shall not
16 be unreasonably withheld by either. Neither the medical staff nor the governing body shall withhold
17 approval if such repeal, amendment or adoption is mandated by law, statute or regulation or is
18 necessary to obtain or maintain accreditation or to comply with fiduciary responsibilities or if the
19 failure to approve would subvert the stated moral or ethical purposes of the institution.

20 (4) The Oregon Medical Board may appoint one or more physicians to conduct peer review for
21 a health care facility upon request of such review by all of the following:

22 (a) The physician whose practice is being reviewed.

23 (b) The executive committee of the health care facility's medical staff.

24 (c) The governing body of the health care facility.

25 (5) The physicians appointed pursuant to subsection (4) of this section shall be deemed agents
26 of the Oregon Medical Board, subject to the provisions of ORS 30.310 to 30.400 and shall conduct
27 peer review. Peer review shall be conducted pursuant to the bylaws of the requesting health care
28 facility.

29 (6) Any person serving on or communicating information to a peer review committee shall not
30 be subject to an action for damages for action or communications or statements made in good faith.

31 (7) All findings and conclusions, interviews, reports, studies, communications and statements
32 procured by or furnished to the peer review committee in connection with a peer review are confi-
33 dential pursuant to ORS 192.338, 192.345, 192.355 and 192.690 and all data is privileged pursuant to
34 ORS 41.675.

35 (8) Notwithstanding subsection (7) of this section, a written report of the findings and conclu-
36 sions of the peer review shall be provided to the governing body of the health care facility who shall
37 abide by the privileged and confidential provisions set forth in subsection (7) of this section.

38 (9) Procedures for peer review established by subsections (4) to (8) of this section are exempt
39 from ORS chapter 183.

40 (10) The Oregon [*Health Authority*] **Department of Health** shall adopt by rule standards for
41 rural hospitals, as defined in ORS 442.470, that specifically address the provision of care to
42 postpartum and newborn patients so long as patient care is not adversely affected.

43 (11) For purposes of this section, "physician" has the meaning given the term in ORS 677.010.

44 **SECTION 1036.** ORS 441.056 is amended to read:

45 441.056. (1) The Oregon [*Health Authority*] **Department of Health** shall prescribe by rule the

1 information and documents that a governing body of an originating-site hospital may request for
2 credentialing a telemedicine provider located at a distant-site hospital.

3 (2) The rules adopted by the [authority] **department** under subsection (1) of this section must:

4 (a) Prescribe a standard list of information and documents that shall be provided by a distant-
5 site hospital;

6 (b) Prescribe a list of information and documents that may be requested by an originating-site
7 hospital in addition to the standard list of information and documents;

8 (c) Prescribe a list of information and documents that may not be requested by an originating-
9 site hospital; and

10 (d) Be consistent with all applicable legal and accreditation requirements of an originating-site
11 hospital and the health plans with which the originating-site hospital contracts.

12 (3) Except as provided in subsection (4) of this section, an originating-site hospital in this state
13 must comply with the rules adopted under this section if the telemedicine provider is located at a
14 distant-site hospital that is located in this state. This section does not prevent hospitals located
15 outside of this state from using or require such hospitals to use the prescribed list of information
16 and documents in credentialing a telemedicine provider.

17 (4) An originating-site hospital is not limited to the information and documents prescribed by the
18 [authority] **department** if the originating-site hospital has a delegated credentialing agreement with
19 the distant-site hospital where the telemedicine provider is located and the governing body of the
20 originating-site hospital accepts the recommendation of the medical staff to credential the telemed-
21 icine provider.

22 (5) In the adoption of the rules described in subsections (1) and (2) of this section, the
23 [authority] **department** shall consult with representatives of distant-site hospitals and originating-
24 site hospitals in this state. Once adopted, the [authority] **department** may not amend the rules to
25 alter the prescribed lists without first consulting representatives of distant-site hospitals and
26 originating-site hospitals in this state.

27 (6) This section does not affect the responsibilities of a governing body under ORS 441.055 and
28 does not require a governing body of a hospital to grant privileges to a telemedicine provider.

29 **SECTION 1037.** ORS 441.060 is amended to read:

30 441.060. (1) The Oregon [Health Authority] **Department of Health** shall make or cause to be
31 made in-person site inspections of health care facilities licensed under ORS 441.025 (1) at least once
32 every three years.

33 (2) The [authority] **Oregon Department of Health** and the Department of Human Services may
34 prescribe by rule that any licensee or prospective applicant desiring to make specified types of al-
35 teration or addition to its facilities or to construct new facilities shall, before commencing such al-
36 teration, addition or new construction, either prior to or after receiving a certificate of need
37 pursuant to ORS 442.315, if required, submit plans and specifications therefor to the [authority or the
38 department] **Oregon Department of Health or the Department of Human Services** for prelimi-
39 nary inspection and approval or recommendations with respect to compliance with the rules au-
40 thorized by ORS 441.025 and 443.420 and for compliance with National Fire Protection Association
41 standards when the facility is also to be Medicare or Medicaid certified.

42 (3) The [authority or the department] **Oregon Department of Health or the Department of**
43 **Human Services** may require by rule payment of a fee for project review services at a variable
44 rate, dependent on total project cost.

45 (4) For health care facilities, the [authority] **Oregon Department of Health** shall develop a

1 review fee schedule as minimally necessary to support the staffing level and expenses required to
2 administer the program.

3 (5) For long term care facilities and residential care facilities, the department shall develop a
4 review fee schedule as minimally necessary to support the staffing level and expenses required to
5 administer the program. The fee for project review of residential care facilities shall equal two-
6 thirds that required of health care facilities.

7 (6) The *[authority or the department]* **Oregon Department of Health or the Department of**
8 **Human Services** may also conduct an on-site review of projects as a prerequisite to licensure of
9 new facilities, major renovations and expansions. The *[authority and the department]* **Oregon De-**
10 **partment of Health and the Department of Human Services** shall, at least annually, with the
11 advice of the facilities covered by the review, present proposed rule changes regarding facility de-
12 sign and construction to such agencies for their consideration.

13 (7) The *[authority]* **Oregon Department of Health** shall publish a state submissions guide for
14 health care facility projects and advise project sponsors of applicable requirements of federal, state
15 and local regulatory agencies.

16 (8) The department shall publish a state submissions guide for long term care facility and resi-
17 dential care facility projects and advise project sponsors of applicable requirements of federal, state
18 and local regulatory agencies.

19 **SECTION 1038.** ORS 441.062 is amended to read:

20 441.062. (1) In conducting inspections for the purpose of licensing health care facilities under
21 ORS 441.020, the Oregon *[Health Authority]* **Department of Health** and the Department of Human
22 Services shall avoid unnecessary facility disruption by coordinating inspections performed by the
23 *[authority or the department]* **Oregon Department of Health or the Department of Human Ser-**
24 **VICES** with inspections performed by other federal, state and local agencies that have responsibility
25 for health care facility licensure.

26 (2) Whenever possible, the *[authority and the department]* **Oregon Department of Health and**
27 **the Department of Human Services** shall avoid duplication of inspections by accepting inspection
28 reports or surveys prepared by other state agencies that have responsibility for health care facility
29 licensure for purposes of the inspection required for licensure.

30 (3) In lieu of an in-person site inspection as required by ORS 441.025 and 441.060, the *[authority*
31 *or the department]* **Oregon Department of Health or the Department of Human Services** may
32 accept a certification or accreditation from a federal agency or an accrediting body approved by the
33 *[authority or the department]* **Oregon Department of Health or Department of Human Services**
34 that the state licensing standards have been met, if:

35 (a) The certification or accreditation is recognized by the *[authority or the department]* **Oregon**
36 **Department of Health or Department of Human Services** as addressing the standards and con-
37 dition of participation requirements of the Centers for Medicare and Medicaid Services and other
38 standards set by the *[authority or the department]* **Oregon Department of Health or Department**
39 **of Human Services;**

40 (b) The health care facility notifies the *[authority or the department]* **Oregon Department of**
41 **Health or Department of Human Services** to participate in any exit interview conducted by the
42 federal agency or accrediting body; and

43 (c) The health care facility provides copies of all documentation concerning the certification or
44 accreditation requested by the *[authority or the department]* **Oregon Department of Health or**
45 **Department of Human Services.**

1 (4) The *[authority and the department]* **Oregon Department of Health and Department of**
2 **Human Services** shall adopt rules necessary to implement this section.

3 **SECTION 1039.** ORS 441.082 is amended to read:

4 441.082. (1) The Oregon *[Health Authority]* **Department of Health** shall adopt by rule standards
5 and a system of registration for every organ procurement organization, tissue bank and eye bank
6 doing business in this state.

7 (2) An organ procurement organization, tissue bank or eye bank may not do business in this
8 state unless it has registered with the *[authority]* **department**.

9 (3) Each organ procurement organization, tissue bank and eye bank shall provide to the *[au-*
10 *thority]* **department** at least every three years current documentation of designation, certification
11 and inspection as evidence of compliance with national standards and requirements under federal
12 law.

13 (4) The *[authority]* **department** may impose a civil penalty not to exceed \$1,000 against an organ
14 procurement organization, tissue bank or eye bank doing business in this state for failure to:

15 (a) Register with the *[authority]* **department**;

16 (b) Report loss of designation, accreditation or certification within 60 days of the loss; or

17 (c) Supply the *[authority]* **department** with requested current documentation of designation,
18 certification and inspection.

19 (5) Civil penalties under this section shall be imposed in the manner provided under ORS
20 183.745.

21 **SECTION 1040.** ORS 441.086 is amended to read:

22 441.086. (1) An ambulatory surgical center shall evaluate all of a patient's risk factors before
23 permitting a surgical procedure to be performed on the patient in the facility.

24 (2) An ambulatory surgical center shall post a notice in the facility, in a prominent place and
25 in prominent font size, advising patients of the manner in which patients may express concerns re-
26 garding the ambulatory surgical center and services provided at the ambulatory surgical center. The
27 posting must include but need not be limited to the address and telephone number for contacting the
28 Oregon *[Health Authority]* **Department of Health** to express the concerns.

29 (3) The *[authority]* **department** shall adopt rules classifying ambulatory surgical centers in three
30 categories:

31 (a) Certified ambulatory surgical centers, which must comply with federal Centers for Medicare
32 and Medicaid Services rules, 42 C.F.R. 416 and rules adopted by the *[authority]* **department**;

33 (b) High complexity noncertified ambulatory surgical centers, which must comply with rules
34 adopted by the *[authority]* **department**; and

35 (c) Moderate complexity noncertified ambulatory surgical centers, which must comply with rules
36 adopted by the *[authority]* **department** and which may use only conscious sedation and analgesia.

37 **SECTION 1041.** ORS 441.094 is amended to read:

38 441.094. (1) No officer or employee of a hospital licensed by the Oregon *[Health Authority]* **De-**
39 **partment of Health** that has an emergency department may deny to a person an appropriate med-
40 ical screening examination within the capability of the emergency department, including ancillary
41 services routinely available to the emergency department, to determine whether a need for emer-
42 gency medical services exists.

43 (2) No officer or employee of a hospital licensed by the *[authority]* **department** may deny to a
44 person diagnosed by an admitting physician as being in need of emergency medical services the
45 emergency medical services customarily provided at the hospital because the person is unable to

1 establish the ability to pay for the services.

2 (3) Nothing in this section is intended to relieve a person of the obligation to pay for services
3 provided by a hospital.

4 (4) A hospital that does not have physician services available at the time of the emergency shall
5 not be in violation of this section if, after a reasonable good faith effort, a physician is unable to
6 provide or delegate the provision of emergency medical services.

7 (5) All coordinated care organization contracts executed by the [authority] **department** and
8 private health maintenance organizations and managed care organizations shall include a provision
9 that encourages the organization to establish agreements with hospitals in the organization's service
10 area for payment of emergency screening examinations.

11 (6) As used in subsections (1) and (2) of this section, "emergency medical services" means med-
12 ical services that are usually and customarily available at the respective hospital and that must be
13 provided immediately to sustain a person's life, to prevent serious permanent disfigurement or loss
14 or impairment of the function of a bodily member or organ, or to provide care of a woman in her
15 labor where delivery is imminent if the hospital is so equipped and, if the hospital is not equipped,
16 to provide necessary treatment to allow the woman to travel to a more appropriate facility without
17 undue risk of serious harm.

18 **SECTION 1042.** ORS 441.098 is amended to read:

19 441.098. (1) As used in this section and ORS 441.099 and 441.991:

20 (a) "Facility" means a hospital, outpatient clinic owned by a hospital, ambulatory surgical cen-
21 ter, freestanding birthing center or facility that receives Medicare reimbursement as an independent
22 diagnostic testing facility.

23 (b) "Financial interest" means a five percent or greater direct or indirect ownership interest.

24 (c)(A) "Health practitioner" means a physician, naturopathic physician licensed under ORS
25 chapter 685, dentist, direct entry midwife, licensed physician assistant or medical imaging licensee
26 under ORS 688.405 to 688.605 or a nurse practitioner or nurse practitioner specializing in nurse
27 midwifery licensed under ORS chapter 678.

28 (B) "Health practitioner" does not include a provider in a health maintenance organization as
29 defined in ORS 750.005.

30 (d) "Physician" has the meaning given that term in ORS 677.010.

31 (2) A health practitioner's decision to refer a patient to a facility for a diagnostic test or health
32 care treatment or service shall be based on the patient's clinical needs and personal health choices.

33 (3) If a health practitioner refers a patient for a diagnostic test or health care treatment or
34 service at a facility in which the health practitioner or an immediate family member of the health
35 practitioner has a financial interest, the health practitioner or the practitioner's designee shall in-
36 form the patient orally and in writing of that interest at the time of the referral.

37 (4)(a) If a health practitioner refers a patient to a facility for a diagnostic test or health care
38 treatment or service, the health practitioner or the practitioner's designee shall inform the patient,
39 in the form and manner prescribed by the Oregon [Health Authority] **Department of Health** by rule,
40 that:

41 (A) The patient may receive the test, treatment or service at a different facility of the patient's
42 choice; and

43 (B) If the patient chooses a different facility, the patient should contact the patient's insurer
44 regarding the extent of coverage or the limitations on coverage for the test, treatment or service
45 at the facility chosen by the patient.

1 (b) Rules concerning the form and manner for informing a patient as required by this subsection
 2 shall:

3 (A) Be designed to ensure that the information is conveyed in a timely and meaningful manner;

4 (B) Be administratively simple; and

5 (C) Accommodate a provider's adoption and use of electronic health record systems.

6 (5) A health practitioner may not deny, limit or withdraw a referral to a facility solely for the
 7 reason that the patient chooses to obtain the test, treatment or service from a different facility.

8 (6) The [authority] **department** may not impose additional restrictions or limitations on any re-
 9 ferral described in this section that are in addition to the requirements specified in subsections (3)
 10 and (4) of this section.

11 (7) In obtaining informed consent for a diagnostic test or health care treatment or service that
 12 will take place at a facility, a health practitioner shall disclose the manner in which care will be
 13 provided in the event that complications occur that require health services beyond what the facility
 14 has the capability to provide.

15 (8) Subsections (3) to (5) of this section do not apply to a referral for a diagnostic test or health
 16 care treatment or service:

17 (a) For a patient who is receiving inpatient hospital services or services in an emergency de-
 18 partment if the referral is for a diagnostic test or health care treatment or service to be performed
 19 while the patient is in the hospital or emergency department;

20 (b) Made to a particular facility after the initial referral of the patient to that facility; or

21 (c) Made by the facility or provider to whom a patient was referred.

22 **SECTION 1043.** ORS 441.101 is amended to read:

23 441.101. (1) As used in this section, "protected health information" has the meaning given that
 24 term in ORS 192.556.

25 (2) A health care facility shall file with the Oregon [*Health Authority*] **Department of Health**
 26 a protection of health information report no later than 120 days following the close of each fiscal
 27 year. The report may be in the form of a letter, must be signed by the chief executive officer of the
 28 facility and must:

29 (a) State the responsibility of the health care facility's management to establish and maintain
 30 adequate safeguards and procedures for protecting the confidentiality of personally identifiable and
 31 protected health information that the facility retains in electronic and hard copy form;

32 (b) Contain an assurance that there is ongoing evaluation and monitoring of the effectiveness
 33 of the safeguards and procedures in protecting the confidentiality of personally identifiable and
 34 protected health information;

35 (c) Contain assurances that the signing officer has disclosed to the board of directors of the fa-
 36 cility:

37 (A) All significant deficiencies in the design or operation of recordkeeping systems or controls
 38 that could adversely affect the facility's ability to protect the confidentiality of personally identifi-
 39 able and protected health information;

40 (B) Any breaches of the security of personally identifiable and protected health information,
 41 whether material or not, that involve management, staff or employees of the facility who have a
 42 significant role in the facility's recordkeeping systems or controls; and

43 (C) All necessary steps that have been taken to address deficiencies in the design or operation
 44 of recordkeeping systems or controls and to resolve any material weaknesses identified by the fa-
 45 cility; and

1 (d) Contain assurances that the signing officer has identified for the board any material weak-
2 nesses in the recordkeeping systems or controls.

3 (3) The [authority] **department** may adopt all rules necessary to carry out the provisions of this
4 section.

5 (4) The protection of health information report is confidential and not subject to disclosure un-
6 der ORS 192.311 to 192.478.

7 **SECTION 1044.** ORS 441.152 is amended to read:

8 441.152. (1)(a) The Nurse Staffing Advisory Board is established within the Oregon [Health Au-
9 thority] **Department of Health**, consisting of 12 members appointed by the Governor.

10 (b) Of the 12 members of the board:

11 (A) Six must be hospital nurse managers;

12 (B) Five must be direct care registered nurses who work in hospitals; and

13 (C) One must be either a direct care registered nurse who works in a hospital or a direct care
14 staff member who is not a registered nurse and whose services are covered by a written hospital-
15 wide staffing plan that meets the requirements of ORS 441.155.

16 (c) To the extent practicable, board members shall be appointed to ensure that the board is re-
17 presented by members from hospitals where direct care staff are represented under a collective
18 bargaining agreement and hospitals where direct care staff are not represented by a collective bar-
19 gaining agreement and by hospitals of different sizes, types and geographic location.

20 (d) The term of office of each board member is three years, but a member serves at the pleasure
21 of the Governor. Before the expiration of the term of a member, the Governor shall appoint a suc-
22 cessor whose term begins January 1 next following. A member is eligible for reappointment, but may
23 not serve more than two consecutive terms. If there is a vacancy for any cause, the Governor shall
24 make an appointment to become immediately effective for the unexpired term.

25 (2) The board shall:

26 (a) Provide advice to the [authority] **department** on the administration of ORS 441.152 to
27 441.177;

28 (b) Identify trends, opportunities and concerns related to nurse staffing;

29 (c) Make recommendations to the [authority] **department** on the basis of those trends, opportu-
30 nities and concerns; and

31 (d) Review the [authority's] **department's** enforcement powers and processes under ORS 441.157,
32 441.171 and 441.177.

33 (3)(a) Upon request, the [authority] **department** shall provide the board with written hospital-
34 wide staffing plans implemented under ORS 441.155, reviews conducted under ORS 441.156, infor-
35 mation obtained during an audit under ORS 441.157 and complaints filed and investigations
36 conducted as described in ORS 441.171.

37 (b) The [authority] **department** may not provide the board with any information under para-
38 graph (a) of this subsection that is identifiable with a specific hospital unless the information is
39 publicly available.

40 (c) Hospital-wide staffing plans provided to the board under this section are confidential and not
41 subject to public disclosure.

42 (4) A majority of the members of the board constitutes a quorum for the transaction of business.

43 (5) The board shall have two cochairs selected by the Governor. One cochair shall be a hospital
44 nurse manager and one cochair shall be a direct care registered nurse.

45 (6) Official action by the board requires the approval of a majority of the members of the board.

1 (7) The board shall meet:

2 (a) At least once every three months; and

3 (b) At any time and place specified by the call of both cochairs.

4 (8) The board may adopt rules necessary for the operation of the board.

5 (9) The board shall submit a report on the administration of ORS 441.152 to 441.177 in the
6 manner provided in ORS 192.245 to an interim committee of the Legislative Assembly related to
7 health no later than September 15 of each year. The board may include in its report recommen-
8 dations for legislation.

9 (10) Members of the board are not entitled to compensation, but may be reimbursed for actual
10 and necessary travel and other expenses incurred by them in the performance of their official duties
11 in the manner and amounts provided for in ORS 292.495. Claims for expenses shall be paid out of
12 funds appropriated to the [authority] **department** for purposes of the board.

13 **SECTION 1045.** ORS 441.154 is amended to read:

14 441.154. (1)(a) For each hospital there shall be established a hospital nurse staffing committee.
15 Each committee shall:

16 (A) Consist of an equal number of hospital nurse managers and direct care staff;

17 (B) For that portion of the committee composed of direct care staff, consist entirely of direct
18 care registered nurses, except for one position to be filled by a direct care staff member who is not
19 a registered nurse and whose services are covered by a written hospital-wide staffing plan that
20 meets the requirements of ORS 441.155; and

21 (C) Include at least one direct care registered nurse from each hospital nurse specialty or unit.

22 (b) If the direct care registered nurses who work at a hospital are represented under a collective
23 bargaining agreement, the bargaining unit shall conduct a selection process by which the direct care
24 registered nurses who work at the hospital select the members of the committee who are direct care
25 registered nurses.

26 (c) If the direct care staff member who is not a registered nurse who works at a hospital is re-
27 presented under a collective bargaining agreement, the bargaining unit shall use the selection pro-
28 cess conducted pursuant to paragraph (b) of this subsection to select that member of the committee.

29 (d) If the direct care registered nurses who work at a hospital are not represented under a
30 collective bargaining agreement, the direct care registered nurses belonging to a hospital nurse
31 specialty or unit shall select each member of the committee who is a direct care registered nurse
32 from that specialty or unit.

33 (2) A hospital nurse staffing committee shall develop a written hospital-wide staffing plan in
34 accordance with ORS 441.155. The committee's primary goals in developing the staffing plan shall
35 be to ensure that the hospital is staffed to meet the health care needs of patients. The committee
36 shall review and modify the staffing plan in accordance with ORS 441.156.

37 (3) A majority of the members of a hospital nurse staffing committee constitutes a quorum for
38 the transaction of business.

39 (4) A hospital nurse staffing committee shall have two cochairs. One cochair shall be a hospital
40 nurse manager elected by the members of the committee who are hospital nurse managers and one
41 cochair shall be a direct care registered nurse elected by the members of the committee who are
42 direct care staff.

43 (5)(a) A decision made by a hospital nurse staffing committee must be made by a vote of a ma-
44 jority of the members of the committee. If a quorum of members comprises an unequal number of
45 hospital nurse managers and direct care staff, only an equal number of hospital nurse managers and

1 direct care staff may vote.

2 (b) If the committee is unable to reach an agreement on the staffing plan, either cochair of the
3 committee may invoke a 30-day period during which the committee shall continue to develop the
4 staffing plan. During the 30-day period, the hospital shall respond in a timely manner to reasonable
5 requests from members of the committee for data that will enable the committee to reach a resol-
6 ution. If at the end of the 30-day period, the committee remains unable to reach an agreement on
7 the staffing plan, one of the cochairs shall notify the Oregon [*Health Authority*] **Department of**
8 **Health** of the impasse.

9 (c) Upon receiving notification under paragraph (b) of this subsection, the [*authority*] **depart-**
10 **ment** shall provide the committee with a mediator to assist the committee in reaching an agreement
11 on the staffing plan. Mediation conducted under this paragraph must be consistent with the re-
12 quirements for implementing and reviewing staffing plans under ORS 441.155 and 441.156.

13 (d) If the committee is unable to reach an agreement on the staffing plan after 90 days of me-
14 diation, the [*authority*] **department** may impose a penalty against the hospital as described in ORS
15 441.175.

16 (6) A hospital nurse staffing committee shall meet:

17 (a) At least once every three months; and

18 (b) At any time and place specified by either cochair.

19 (7)(a) Subject to paragraph (b) of this subsection, a hospital nurse staffing committee meeting
20 must be open to:

21 (A) The hospital nursing staff as observers; and

22 (B) Upon invitation by either cochair, other observers or presenters.

23 (b) At any time, either cochair may exclude persons described in paragraph (a) of this subsection
24 from a committee meeting for purposes related to deliberation and voting.

25 (8) Minutes of hospital nurse staffing committee meetings must:

26 (a) Include motions made and outcomes of votes taken;

27 (b) Summarize discussions; and

28 (c) Be made available in a timely manner to hospital nursing staff and other hospital staff upon
29 request.

30 (9) A hospital shall release a member of a hospital nurse staffing committee described in sub-
31 section (1)(a) of this section from the member's assignment, and provide the member with paid time,
32 to attend committee meetings.

33 **SECTION 1046.** ORS 441.157 is amended to read:

34 441.157. (1) For the sole purpose of verifying compliance with the requirements of ORS 441.152
35 to 441.177 and 441.192, the Oregon [*Health Authority*] **Department of Health** shall audit each hos-
36 pital in this state once every three years, at the time of conducting an in-person site inspection of
37 the hospital under ORS 441.025.

38 (2) When conducting an audit pursuant to this section, the [*authority*] **department** shall:

39 (a) If the [*authority*] **department** provides notice of the audit to the hospital, provide notice of
40 the audit to the cochairs of the hospital nurse staffing committee established pursuant to ORS
41 441.154;

42 (b) Interview both cochairs of the hospital nurse staffing committee;

43 (c) Review any other hospital record and conduct any other interview or site visit that is nec-
44 essary to verify that the hospital is in compliance with the requirements of ORS 441.152 to 441.177
45 and 441.192; and

1 (d) Within 60 days after issuing an order requiring a hospital to implement a plan to correct a
2 violation of ORS 441.152 to 441.177 or 441.192, conduct an investigation of the hospital to ensure
3 compliance with the order.

4 (3) Following an investigation conducted pursuant to subsection (2) of this section, the
5 [authority] **department** shall provide in writing a report of the [authority's] **department's** findings
6 to the hospital and the cochairs of the hospital nurse staffing committee.

7 (4) The [authority] **department** shall compile and maintain for public inspection an annual re-
8 port of audits and investigations conducted pursuant to this section.

9 (5) The costs of audits required by this section may be paid out of funds from licensing fees paid
10 by hospitals under ORS 441.020.

11 **SECTION 1047.** ORS 441.164 is amended to read:

12 441.164. Upon request of a hospital, the Oregon [Health Authority] **Department of Health** may
13 grant a variance to the written hospital-wide staffing plan requirements described in ORS 441.155
14 if the variance is necessary to ensure that the hospital is staffed to meet the health care needs of
15 patients.

16 **SECTION 1048.** ORS 441.166 is amended to read:

17 441.166. (1) For purposes of this section, "nursing staff" includes registered nurses, licensed
18 practical nurses, certified nursing assistants and other hospital nursing staff members as defined by
19 the Oregon [Health Authority] **Department of Health** by rule.

20 (2) When a hospital learns about the need for replacement staff, the hospital shall make every
21 reasonable effort to obtain nursing staff for unfilled hours or shifts before requiring a nursing staff
22 member to work overtime.

23 (3)(a) Except as provided in subsection (4) of this section, a hospital may not require a nursing
24 staff member to work:

25 (A) Beyond the agreed-upon and prearranged shift, regardless of the length of the shift;

26 (B) More than 48 hours in any hospital-defined work week;

27 (C) More than 12 hours in a 24-hour period; or

28 (D) During the 10-hour period immediately following the 12th hour worked during a 24-hour pe-
29 riod.

30 (b) For purposes of paragraph (a)(D) of this subsection, a nursing staff member begins to work
31 when the nursing staff member begins a shift.

32 (4) A hospital may require an additional hour of work beyond the work authorized under sub-
33 section (3) of this section if:

34 (a) A staff vacancy for the next shift becomes known at the end of the current shift; or

35 (b) There is a potential harm to an assigned patient if the nursing staff member leaves the as-
36 signment or transfers care to another nursing staff member.

37 (5) If a nursing staff member agrees to work overtime, the nursing staff member is accountable
38 for the nursing staff member's competency in practice and is responsible for notifying the nursing
39 staff member's supervisor when the nursing staff member's ability to safely provide care is compro-
40 mised.

41 (6)(a) Time spent in required meetings or receiving education or training shall be included as
42 hours worked for purposes of subsection (3) of this section.

43 (b) Time spent on call or on standby when the nursing staff member is required to be at the
44 premises of the employer shall be included as hours worked for purposes of subsection (3) of this
45 section.

1 (c) Time spent on call but away from the premises of the employer may not be included as hours
2 worked for purposes of subsection (3) of this section.

3 (7) If a nursing staff member believes that a hospital unit is engaging in a pattern of requiring
4 direct care nursing staff to work overtime for nonemergency care, the nursing staff member may
5 report that information to the hospital nurse staffing committee established for the hospital pursuant
6 to ORS 441.154. The hospital nurse staffing committee shall consider the information when reviewing
7 the written hospital-wide staffing plan as required by ORS 441.156.

8 (8) The provisions of this section do not apply to nursing staff needs:

9 (a) In the event of a national or state emergency or circumstances requiring the implementation
10 of a facility disaster plan; or

11 (b) In emergency circumstances identified by the [authority] **department** by rule.

12 **SECTION 1049.** ORS 441.171 is amended to read:

13 441.171. (1) For purposes of ensuring compliance with ORS 441.152 to 441.177, the Oregon
14 [Health Authority] **Department of Health** shall:

15 (a) Within 60 days after receiving a complaint against a hospital for violating a provision of ORS
16 441.152 to 441.177, conduct an on-site investigation of the hospital; and

17 (b) Within 60 days after issuing an order requiring a hospital to implement a plan to correct a
18 violation of ORS 441.152 to 441.177, conduct an investigation of the hospital to ensure compliance
19 with the plan.

20 (2) When conducting an investigation of a hospital to ensure compliance with ORS 441.152 to
21 441.177, the [authority] **department** shall, if the [authority] **department** provides notice of the in-
22 vestigation to the hospital, provide notice of the investigation to the cochairs of the hospital nurse
23 staffing committee established pursuant to ORS 441.154.

24 (3) Following an investigation conducted pursuant to this section, the [authority] **department**
25 shall provide in writing a report of the [authority's] **department's** findings to the hospital and the
26 cochairs of the hospital nurse staffing committee.

27 (4) When conducting an investigation of a hospital to ensure compliance with ORS 441.152 to
28 441.177, the [authority] **department** may:

29 (a) Take evidence;

30 (b) Take the depositions of witnesses in the manner provided by law in civil cases;

31 (c) Compel the appearance of witnesses in the manner provided by law in civil cases;

32 (d) Require answers to interrogatories; and

33 (e) Compel the production of books, papers, accounts, documents and testimony pertaining to the
34 matter under investigation.

35 **SECTION 1050.** ORS 441.173 is amended to read:

36 441.173. A hospital shall keep and maintain records necessary to demonstrate compliance with
37 ORS 441.152 to 441.177. For purposes of this section, the Oregon [Health Authority] **Department**
38 **of Health** shall adopt rules specifying the content of the records and the form and manner of
39 keeping, maintaining and disposing of the records. A hospital must provide records kept and main-
40 tained under this section to the [authority] **department** upon request.

41 **SECTION 1051.** ORS 441.175 is amended to read:

42 441.175. (1) The Oregon [Health Authority] **Department of Health** may impose civil penalties
43 in the manner provided in ORS 183.745 or suspend or revoke a license of a hospital for a violation
44 of any provision of ORS 441.152 to 441.177. The [authority] **department** shall adopt by rule a
45 schedule establishing the amount of civil penalty that may be imposed for a violation of ORS 441.152

1 to 441.177 when there is a reasonable belief that safe patient care has been or may be negatively
2 impacted, except that a civil penalty may not exceed \$5,000. Each violation of a written hospital-
3 wide staffing plan shall be considered a separate violation. Any license that is suspended or revoked
4 under this subsection shall be suspended or revoked as provided in ORS 441.030.

5 (2) The [authority] **department** shall maintain for public inspection records of any civil penalties
6 or license suspensions or revocations imposed on hospitals penalized under subsection (1) of this
7 section.

8 **SECTION 1052.** ORS 441.177 is amended to read:

9 441.177. The Oregon [Health Authority] **Department of Health** shall post on a website main-
10 tained by the [authority] **department**:

11 (1) Reports of audits described in ORS 441.157;

12 (2) Any report made pursuant to an investigation of whether a hospital is in compliance with
13 ORS 441.152 to 441.177;

14 (3) Any order requiring a hospital to implement a plan to correct a violation of ORS 441.152 to
15 441.177;

16 (4) Any order imposing a civil penalty against a hospital or suspending or revoking the license
17 of a hospital pursuant to ORS 441.175; and

18 (5) Any other matter recommended by the Nurse Staffing Advisory Board established under ORS
19 441.152.

20 **SECTION 1053.** ORS 441.185 is amended to read:

21 441.185. (1) A hospital shall post a notice summarizing the provisions of ORS 441.181, 441.183,
22 441.184 and 441.192 in a conspicuous place on the premises of the hospital. The notice must be
23 posted where notices to employees and applicants for employment are customarily displayed.

24 (2) Any hospital that willfully violates this section is subject to a civil penalty not to exceed
25 \$500. Civil penalties under this section shall be imposed by the Oregon [Health Authority] **Depart-**
26 **ment of Health** in the manner provided by ORS 183.745.

27 **SECTION 1054.** ORS 441.221 is amended to read:

28 441.221. (1) The Advisory Committee on Physician Credentialing Information is established
29 within the Oregon [Health Authority] **Department of Health**. The committee consists of nine mem-
30 bers appointed by the Director of the Oregon [Health Authority] **Department of Health** or the
31 director's designee as follows:

32 (a) Three members who are health care practitioners licensed by the Oregon Medical Board or
33 representatives of health care practitioners' organizations doing business within the State of Oregon;

34 (b) Three representatives of hospitals licensed by the Oregon [Health Authority] **Department**
35 **of Health**; and

36 (c) Three representatives of health care service contractors that have been issued a certificate
37 of authority to transact health insurance in this state by the Department of Consumer and Business
38 Services.

39 (2) All members appointed pursuant to subsection (1) of this section must be knowledgeable
40 about national standards relating to the credentialing of health care practitioners.

41 (3) The term of appointment for each member of the committee is three years. If, during a
42 member's term of appointment, the member no longer qualifies to serve as designated by the criteria
43 of subsection (1) of this section, the member must resign. If there is a vacancy for any cause, the
44 director or the director's designee shall make an appointment to become immediately effective for
45 the unexpired term.

1 (4) Members of the committee are not entitled to compensation or reimbursement of expenses.

2 **SECTION 1055.** ORS 441.222 is amended to read:

3 441.222. (1) The Advisory Committee on Physician Credentialing Information shall develop and
4 submit recommendations to the Director of the Oregon [*Health Authority*] **Department of Health**
5 for the collection of uniform information necessary for credentialing organizations to credential
6 health care practitioners seeking designation as a participating provider or member of a creden-
7 tialing organization. The recommendations must specify:

8 (a) The content and format of a credentialing application form; and

9 (b) The content and format of a recredentialing application form.

10 (2) The committee shall meet at least once every calendar year to review the uniform creden-
11 tialing information and to assure the director that the information complies with credentialing
12 standards developed by national accreditation organizations and applicable regulations of the federal
13 government.

14 (3) The Oregon [*Health Authority*] **Department of Health** shall provide the support staff nec-
15 essary for the committee to accomplish its duties.

16 **SECTION 1056.** ORS 441.223 is amended to read:

17 441.223. (1) Upon receiving the recommendations of the Advisory Committee on Physician Cre-
18 dentialing Information, the Oregon [*Health Authority*] **Department of Health** shall:

19 (a) Adopt administrative rules in a timely manner, as required by the Administrative Procedures
20 Act, for the purpose of effectuating the provisions of ORS 441.221 to 441.223; and

21 (b) Ensure that the rules adopted by the Oregon [*Health Authority*] **Department of Health** are
22 identical and are consistent with the recommendations developed pursuant to ORS 441.222 for af-
23 fected credentialing organizations.

24 (2) The uniform credentialing information required pursuant to the administrative rules of the
25 Oregon [*Health Authority*] **Department of Health** represents the minimum uniform credentialing
26 information required by the affected credentialing organizations. Except as provided in subsection
27 (3) of this section, a credentialing organization may request additional credentialing information
28 from a health care practitioner for the purpose of completing credentialing procedures used by the
29 credentialing organization to credential health care practitioners.

30 (3) In credentialing a telemedicine provider, a hospital is subject to the requirements prescribed
31 by rule by the [*authority*] **department** under ORS 441.056.

32 **SECTION 1057.** ORS 441.406 is amended to read:

33 441.406. (1) The Long Term Care Ombudsman shall carry out the following duties:

34 (a) Investigate and resolve complaints made by or for residents of long term care facilities about
35 administrative actions that may adversely affect their health, safety, welfare or rights, including
36 subpoenaing any person to appear, to give sworn testimony or to produce documentary or other
37 evidence that is reasonably material to any matter under investigation.

38 (b) Notify the Department of Human Services or the Oregon [*Health Authority*] **Department of**
39 **Health** about disease outbreaks reported by residents to the ombudsman or identified by the om-
40 budsman.

41 (c) Undertake, participate in or cooperate with persons and agencies in such conferences, in-
42 quiries, meetings or studies as may lead to improvements in the functioning of long term care fa-
43 cilities.

44 (d) Monitor the development and implementation of federal, state and local laws, regulations and
45 policies that relate to long term care facilities in this state.

1 (e) Provide information to public agencies about the problems of residents of long term care fa-
2 cilities.

3 (f) Work closely with cooperative associations and citizen groups in this state and the state
4 protection and advocacy system under ORS 192.517.

5 (g) Widely publicize the Long Term Care Ombudsman's services, purpose and mode of operation.

6 (h) Collaborate with the Oregon [*Health Authority*] **Department of Health**, the Department of
7 Human Services, the Long Term Care Administrators Board and any other appropriate agencies and
8 organizations to establish a statewide system to collect and analyze information on complaints and
9 conditions in long term care facilities for the purpose of publicizing improvements and resolving
10 significant problems.

11 (i) Contract with the state protection and advocacy system described in ORS 192.517 (1) to
12 provide services and assistance to persons who are prospective or current residents of a mental
13 health treatment facility or of a residential facility for individuals with developmental disabilities
14 when the system has received a notice regarding the person pursuant to ORS 125.060 (7)(c) or (8)(c).

15 (j) Appoint designees to serve as local representatives of the office of the Long Term Care
16 Ombudsman in various districts of the state and regularly monitor their functions.

17 (k) Specify qualifications and duties of designees.

18 (L) Adopt rules necessary for carrying out ORS 441.402 to 441.414, after consultation with the
19 Residential Ombudsman and Public Guardianship Advisory Board.

20 (m) Provide periodically, or at least annually, a report to the Governor, [*authority, department*
21 *and*] **the Oregon Department of Health, the Department of Human Services and the** Legisla-
22 tive Assembly.

23 (n) Prepare necessary reports with the assistance of the [*authority and the department*] **Oregon**
24 **Department of Health and the Department of Human Services.**

25 (o) Advise and support the Oregon Public Guardian and Conservator appointed under ORS
26 125.678.

27 (p) Supervise, monitor, advise and support the Residential Facilities Ombudsman appointed un-
28 der ORS 443.382.

29 (2) At least quarterly, the Department of Human Services shall provide the Long Term Care
30 Ombudsman with a list of the number of licensed or certified beds in each long term care facility
31 for which the ombudsman has responsibilities under this section.

32 **SECTION 1058.** ORS 441.408 is amended to read:

33 441.408. (1) The Long Term Care Ombudsman and each designee shall have the right of entry
34 into long term care facilities at any time considered necessary and reasonable by the ombudsman
35 or the designee for the purpose of:

36 (a) Investigating and resolving complaints made by residents or made on their behalf;

37 (b) Interviewing residents, with their consent, in private;

38 (c) Offering the services of the ombudsman or the designee to any resident, in private;

39 (d) Interviewing employees or agents of the facility;

40 (e) Consulting regularly with the facility administration; and

41 (f) Providing services authorized by law or by rule.

42 (2)(a) The ombudsman shall have access to any resident's records, and to records of any public
43 agency necessary to the duties of the ombudsman, including records on reports of resident abuse
44 made pursuant to ORS 124.050 to 124.095 and 441.630 to 441.680. The provisions of ORS 192.553 to
45 192.581 are not intended to limit the access of the ombudsman to medical records of residents of long

1 term care facilities. If necessary to investigate a complaint, designees shall have access to individual
2 resident's records, including medical records as authorized by the resident or the resident's legal
3 representative.

4 (b) If a resident's legal representative denies access to the resident's records by the ombudsman
5 or a designee, the ombudsman shall have access to the records if the ombudsman has reasonable
6 cause to believe that the legal representative is not acting in the best interests of the resident.

7 (3) The ombudsman shall enter into confidentiality agreements with the Department of Human
8 Services and with the Oregon [*Health Authority*] **Department of Health** permitting the ombudsman
9 to have access to electronic records of the [*department and the authority*] **Department of Human**
10 **Services and the Oregon Department of Health** that are necessary to carry out the duties of the
11 ombudsman. The agreement must ensure that records obtained by the ombudsman from the [*depart-*
12 *ment or the authority*] **Department of Human Services or the Oregon Department of Health** that
13 are confidential, privileged or otherwise protected from disclosure are not further disclosed, except
14 as permitted by state and federal law.

15 (4) Entry and investigation authorized by this section shall be done in a manner that does not
16 disrupt significantly the providing of nursing, residential or other personal care or treatment to
17 residents.

18 (5) The ombudsman or the designee must show identification to the person in charge of the fa-
19 cility. The resident shall have the right to refuse to communicate with the ombudsman or the
20 designee. The refusal shall be made directly to the ombudsman or the designee and not through an
21 intermediary.

22 (6) The resident shall have the right to participate in planning any course of action to be taken
23 on behalf of the resident by the ombudsman or the designee.

24 **SECTION 1059.** ORS 441.413 is amended to read:

25 441.413. (1) The Long Term Care Ombudsman shall appoint designees, in consultation with local
26 screening committees that are appointed by and serve at the pleasure of the ombudsman, that may
27 consist of but not be limited to persons representing:

28 (a) The area agency, as defined in ORS 410.040.

29 (b) The local office of the Department of Human Services.

30 (c) The local health department.

31 (d) Senior citizens groups in the area.

32 (e) Local elected officials.

33 (2) To be appointed as a designee, a person must complete an initial training, as prescribed by
34 the Long Term Care Ombudsman by rule, and attend quarterly training sessions that are approved
35 by the ombudsman and that shall be coordinated and funded by the Department of Human Services
36 and the Oregon [*Health Authority*] **Department of Health**, subject to the availability of funds. The
37 training must include instruction on how to identify and report disease outbreaks.

38 (3) Designees must sign a contract with the state that outlines the scope of their duties. In
39 districts where a designee is an employee or agent of a local entity, a three-party contract shall be
40 executed. Violation of the contract is cause for the termination of the appointment. A directory of
41 all designees shall be maintained in the office of the Long Term Care Ombudsman.

42 (4) The qualifications of designees shall include experience with long term care facilities or
43 residents or potential residents of long term care facilities, and the ability to communicate well, to
44 understand laws, rules and regulations, and to be assertive, yet objective.

45 (5) Applicants who have experience in either social service, mental health, developmental disa-

1 bility services, gerontology, nursing or paralegal work shall be given preference in the appointment
 2 of designees.

3 (6) The contract shall include statements that the purpose of the Long Term Care Ombudsman
 4 Program is to:

5 (a) Promote rapport and trust between the residents and staff of the long term care facilities
 6 and Long Term Care Ombudsman;

7 (b) Assist residents with participating more actively in determining the delivery of services at
 8 the facilities;

9 (c) Serve as an educational resource;

10 (d) Receive, resolve or relay concerns to the Long Term Care Ombudsman or the appropriate
 11 agency; and

12 (e) Ensure equitable resolution of problems.

13 (7) The duties of the designees are to:

14 (a) Visit each assigned long term care facility on a regular basis:

15 (A) Upon arrival and departure, inform a specified staff member.

16 (B) Review, with a specified staff member, any problems or concerns that need to be considered.

17 (C) Visit individual residents and resident councils.

18 (b) Maintain liaison with appropriate agencies and the Long Term Care Ombudsman.

19 (c) Report, in writing, monthly to the Long Term Care Ombudsman.

20 (d) Keep residents and staff informed of the Long Term Care Ombudsman Program.

21 (e) Periodically review the rights prescribed in ORS 441.605, 441.610 and 441.612, and any other
 22 applicable rights to services, with residents, families, guardians, administrators and staff of long
 23 term care facilities.

24 (f) Perform other related duties as specified.

25 **SECTION 1060.** ORS 441.630 is amended to read:

26 441.630. As used in ORS 441.630 to 441.680:

27 (1) "Abuse" means:

28 (a) Any physical injury to a resident of a long term care facility which has been caused by other
 29 than accidental means.

30 (b) Failure to provide basic care or services, which failure results in physical harm or unrea-
 31 sonable discomfort or serious loss of human dignity.

32 (c) Sexual contact with a resident caused by an employee, agent or other resident of a long term
 33 care facility by force, threat, duress or coercion.

34 (d) Illegal or improper use of a resident's resources for the personal profit or gain of another
 35 person.

36 (e) Verbal or mental abuse as prohibited by federal law.

37 (f) Corporal punishment.

38 (g) Involuntary seclusion for convenience or discipline.

39 (2) "Abuse complaint" means any oral or written communication to the department, one of its
 40 agents or a law enforcement agency alleging abuse.

41 (3) "Department" means the Department of Human Services or a designee of the department.

42 (4) "Facility" means a long term care facility, as defined in ORS 442.015.

43 (5) "Law enforcement agency" means:

44 (a) Any city or municipal police department.

45 (b) A police department established by a university under ORS 352.121 or 353.125.

- 1 (c) Any county sheriff's office.
- 2 (d) The Oregon State Police.
- 3 (e) Any district attorney.
- 4 (6) "Public or private official" means:
- 5 (a) Physician, including any intern or resident.
- 6 (b) Licensed practical nurse or registered nurse.
- 7 (c) Employee of the Department of Human Services, a community developmental disabilities
- 8 program or a long term care facility or person who contracts to provide services to a long term care
- 9 facility.
- 10 (d) Employee of the Oregon [*Health Authority*] **Department of Health**, local health department
- 11 or community mental health program.
- 12 (e) Peace officer.
- 13 (f) Member of the clergy.
- 14 (g) Regulated social worker.
- 15 (h) Physical, speech and occupational therapists.
- 16 (i) Legal counsel for a resident or guardian or family member of the resident.
- 17 (j) Elected official of a branch of government of this state or a state agency, board, commission
- 18 or department of a branch of government of this state or of a city, county or other political subdivi-
- 19 sion in this state.
- 20 (k) Personal support worker, as defined in ORS 410.600.
- 21 (L) Home care worker, as defined in ORS 410.600.
- 22 **SECTION 1061.** ORS 441.705 is amended to read:
- 23 441.705. As used in ORS 441.705 to 441.745:
- 24 (1) "Direct patient care or feeding" means any care provided directly to or for any patient re-
- 25 lated to that patient's physical, medical and dietary well-being as defined by rules of:
- 26 (a) The Department of Human Services when the facility is a long term care facility, as defined
- 27 in ORS 442.015, or a residential care facility, residential training facility or residential training
- 28 home; and
- 29 (b) The Oregon [*Health Authority*] **Department of Health** if the facility is a residential treat-
- 30 ment facility or a residential treatment home.
- 31 (2) "Person" means a licensee of a long term care facility, a residential care facility, a residen-
- 32 tial training facility, a residential treatment facility, a residential training home or a residential
- 33 treatment home, or an unlicensed person who the Director of Human Services finds should be li-
- 34 censed to operate a long term care facility, a residential care facility, a residential training facility
- 35 or a residential training home, or an unlicensed person who the Director of the Oregon [*Health*
- 36 *Authority*] **Department of Health** finds should be licensed to operate a residential treatment facility
- 37 or residential treatment home. "Person" does not mean an employee of a licensee or unlicensed
- 38 person who the Director of Human Services or the Director of the Oregon [*Health Authority*] **De-**
- 39 **partment of Health** finds should be licensed.
- 40 (3) "Residential care facility," "residential training facility," "residential training home," "resi-
- 41 dential treatment facility" and "residential treatment home" have the meanings given those terms
- 42 in ORS 443.400.
- 43 (4) "Staff to patient ratio" means the number and training of persons providing direct patient
- 44 care as defined in rules of the:
- 45 (a) Department **of Human Services** if the facility is a long term care facility, a residential care

1 or residential training facility or a residential training home; or

2 (b) [Authority] **Oregon Department of Health** if the facility is a residential treatment facility
3 or a residential treatment home.

4 **SECTION 1062.** ORS 441.710 is amended to read:

5 441.710. (1)(a) In addition to any other liability or penalty provided by law, the Director of Hu-
6 man Services may impose a civil penalty on a person pursuant to ORS 441.731 for any of the fol-
7 lowing:

8 (A) Violation of any of the terms or conditions of a license issued under ORS 441.015 to 441.087,
9 441.525 to 441.595, 441.815, 441.820, 441.990, 442.342, 442.344 and 442.400 to 442.463 for a long term
10 care facility, as defined in ORS 442.015.

11 (B) Violation of ORS 441.630 to 441.680.

12 (C) Violation of any rule or general order of the Department of Human Services that pertains
13 to a long term care facility.

14 (D) Violation of any final order of the director that pertains specifically to the long term care
15 facility owned or operated by the person incurring the penalty.

16 (E) Violation of ORS 441.605 or of rules required to be adopted under ORS 441.610.

17 (F) Violation of ORS 443.880 or 443.881 if the facility is a residential care facility.

18 (b) In addition to any other liability or penalty provided by law, the director may impose a civil
19 penalty on a residential training facility or residential training home for violation of ORS 443.880
20 or 443.881. The director shall prescribe a reasonable time for elimination of a violation by a resi-
21 dential training facility or residential training home:

22 (A) Not to exceed 30 days after first notice of a violation; or

23 (B) In cases where the violation requires more than 30 days to correct, such time as is specified
24 in a plan of correction found acceptable by the director.

25 (2) In addition to any other liability or penalty provided by law, the Director of the Oregon
26 [Health Authority] **Department of Health** may impose a civil penalty on a person for a violation
27 of ORS 443.880 or 443.881 if the facility is a residential treatment facility or a residential treatment
28 home.

29 (3) The Director of Human Services may not impose a penalty under subsection (1) of this sec-
30 tion for violations other than those involving direct patient care or feeding, an adequate staff to
31 patient ratio, sanitation involving direct patient care or a violation of ORS 441.605 or 443.880 or
32 443.881 or of the rules required to be adopted by ORS 441.610 unless a violation is found on two
33 consecutive surveys of a long term care facility.

34 (4) The Director of the Oregon [Health Authority] **Department of Health** may not impose a
35 penalty under subsection (2) of this section for violations other than those involving direct patient
36 care or feeding, an adequate staff to patient ratio, sanitation involving direct patient care or a vio-
37 lation of ORS 443.880 or 443.881. The director in every case shall prescribe a reasonable time for
38 elimination of a violation:

39 (a) Not to exceed 30 days after first notice of a violation; or

40 (b) In cases where the violation requires more than 30 days to correct, such time as is specified
41 in a plan of correction found acceptable by the director.

42 **SECTION 1063.** ORS 441.712 is amended to read:

43 441.712. (1) Any civil penalty under ORS 441.710 shall be imposed in the manner provided by
44 ORS 183.745.

45 (2) Notwithstanding ORS 183.745, the person to whom the notice is addressed shall have 10 days

1 from the date of service of the notice in which to make written application for a hearing before:

2 (a) The Director of Human Services if the facility is a long term care facility, residential care
3 facility, residential training facility or residential training home; or

4 (b) The Director of the Oregon [*Health Authority*] **Department of Health** if the facility is a
5 residential treatment facility or residential treatment home.

6 **SECTION 1064.** ORS 441.715 is amended to read:

7 441.715. (1) The Director of Human Services shall impose civil penalties under ORS 441.710 (1)
8 on a residential care facility or a long term care facility pursuant to ORS 441.731.

9 (2) After public hearing, the Director of Human Services by rule shall adopt objective criteria
10 for establishing the civil penalty that may be imposed under ORS 441.710 (1) on residential training
11 facilities and residential training homes. However, the civil penalty may not exceed \$500 for each
12 violation, except as otherwise provided in this section or as otherwise required by federal law.

13 (3) The Director of the Oregon [*Health Authority*] **Department of Health** by rule shall adopt
14 objective criteria for establishing the civil penalty that may be imposed under ORS 441.710 (2) on
15 residential treatment facilities or residential treatment homes. However, the civil penalty may not
16 exceed \$500 for each violation, except as otherwise provided in this section or as otherwise required
17 by federal law.

18 (4) Notwithstanding the limitations on the civil penalty in subsections (2) and (3) of this section,
19 for any violation by a residential training facility, residential training home, residential treatment
20 facility or residential treatment home involving direct resident care or feeding, an adequate staff to
21 resident ratio or sanitation involving direct resident care, a penalty may be imposed for each day
22 the violation occurs in an amount not to exceed \$500 per day or as otherwise required by federal
23 law.

24 **SECTION 1065.** ORS 441.720 is amended to read:

25 441.720. A civil penalty imposed under ORS 441.710 may be remitted or reduced upon such terms
26 and conditions as the Director of the Oregon [*Health Authority*] **Department of Health** or the Di-
27 rector of Human Services considers proper and consistent with the public health and safety.

28 **SECTION 1066.** ORS 441.750 is amended to read:

29 441.750. (1) Any hospital which treats as a patient a person under 18 years of age because the
30 person has attempted to commit suicide:

31 (a) Shall cause that person to be provided with information and referral to inpatient or outpa-
32 tient community resources, crisis intervention or other appropriate intervention by the patient's at-
33 tending physician, hospital social work staff or other appropriate staff.

34 (b) Shall report statistical information to the Oregon [*Health Authority*] **Department of Health**
35 about the person described in this subsection but is not required to report the name of the person.

36 (2) Any disclosure authorized by this section or any unauthorized disclosure of information or
37 communications made privileged and confidential by this section shall not in any way abridge or
38 destroy the confidential or privileged character thereof except for the purposes for which any au-
39 thorized disclosure is made. Any person making a disclosure authorized by this section shall not be
40 liable therefor, notwithstanding any contrary provisions of law.

41 (3) No physician, hospital or hospital employee shall be held criminally or civilly liable for
42 action pursuant to this section, provided the physician, hospital or hospital employee acts in good
43 faith on probable cause and without malice.

44 **SECTION 1067.** ORS 441.755 is amended to read:

45 441.755. (1) The Oregon [*Health Authority*] **Department of Health** shall prescribe a form to be

1 used by hospitals to make the report required by ORS 441.750 (1)(b) and shall prescribe the fre-
2 quency of such reports.

3 (2) The report form may include the name of the hospital reporting, the date of birth, race and
4 sex of person described in subsection (1) of this section, the suicide method used by the person and
5 known prior attempts in the past 12 months.

6 (3) The [authority] **department** shall compile the results from the reports and report the results
7 to the public.

8 **SECTION 1068.** ORS 441.815 is amended to read:

9 441.815. (1) As used in this section:

10 (a) "Hospital" has the meaning given that term in ORS 442.015.

11 (b) "Inhalant delivery system" has the meaning given that term in ORS 431A.175.

12 (2) The administrator or person in charge of a hospital may not permit a person to smoke to-
13 bacco or use an inhalant delivery system in a manner that creates an aerosol or vapor:

14 (a) In the hospital; or

15 (b) Within 10 feet of a doorway, open window or ventilation intake of the hospital.

16 (3) The Director of the Oregon [Health Authority] **Department of Health** may impose a civil
17 penalty of not more than \$500 per day on a person for violation of subsection (2) of this section.
18 Civil penalties imposed against a person under this subsection may not exceed \$2,000 in any 30-day
19 period. Civil penalties imposed under this subsection shall be imposed in the manner provided by
20 ORS 183.745.

21 (4) The Oregon [Health Authority] **Department of Health** may adopt rules necessary for the
22 administration of this section.

23 **SECTION 1069.** ORS 441.816 is amended to read:

24 441.816. (1) Subject to subsection (2) of this section, from October 1 through March 1 of each
25 year, each hospital in this state shall make an offer to each patient of the hospital who is 65 years
26 of age or older to immunize the patient against the influenza virus, provided that immunization
27 against the influenza virus is not contraindicated for that patient.

28 (2) Offers made under subsection (1) of this section must be based on:

29 (a) The availability of the influenza vaccine at the time the offer is made; and

30 (b) Any applicable recommendations of the Advisory Committee on Immunization Practices of
31 the Centers for Disease Control and Prevention.

32 (3) The Oregon [Health Authority] **Department of Health** may adopt rules to implement this
33 section.

34 **SECTION 1070.** ORS 441.990 is amended to read:

35 441.990. (1) Violation of ORS 441.015 (1) is a Class B violation. Each day of continuing violation
36 after a first conviction shall be considered a subsequent violation.

37 (2) Any person who willfully prevents, interferes with, or attempts to impede in any way the
38 work of any duly authorized representative of the Department of Human Services in the lawful
39 carrying out of the provisions of ORS 441.087 (1) commits a Class C misdemeanor.

40 (3) The removal of the notice required by ORS 441.030 (4) by any person other than an official
41 of the department is a Class C misdemeanor.

42 (4) Any person who, after being excluded by a trustee pursuant to ORS 441.289 (16), remains
43 upon the premises of a facility or returns to a facility violates ORS 164.245.

44 (5) In addition to the penalties under this section, the Oregon [Health Authority] **Department**
45 **of Health**, the Department of Human Services or the Department of Consumer and Business Ser-

1 vices may assess civil penalties against any health care facility or health maintenance organization
2 under ORS 441.030 or for a violation of ORS 441.015 (1). A civil penalty imposed under this section
3 may not exceed \$5,000.

4 (6) Civil penalties under this section shall be imposed in the manner provided by ORS 183.745.

5 (7) Civil penalties recovered under this section shall be paid into the State Treasury and cred-
6 ited to the General Fund for general governmental purposes.

7 **SECTION 1071.** ORS 441.992 is amended to read:

8 441.992. (1) In addition to any other penalty or remedy provided by law, the Oregon [*Health*
9 *Authority*] **Department of Health** may impose a civil penalty of up to \$10,000 for each violation of
10 ORS 441.048 or 441.049.

11 (2) Moneys received under this section shall be paid into the General Fund.

12 (3) Civil penalties shall be imposed as provided in ORS 183.745.

13 **SECTION 1072.** ORS 442.011 is amended to read:

14 442.011. There is created in the Oregon [*Health Authority*] **Department of Health** the Health
15 Policy and Analytics Division. The Director of the Health Policy and Analytics Division shall be
16 appointed by the Director of the Oregon [*Health Authority*] **Department of Health**. The Director
17 of the Health Policy and Analytics Division shall be an individual with demonstrated proficiency in
18 planning and managing programs with complex public policy and fiscal aspects such as those in-
19 volved in the medical assistance program.

20 **SECTION 1073.** ORS 442.015, as amended by section 15, chapter 45, Oregon Laws 2022, is
21 amended to read:

22 442.015. As used in ORS chapter 441 and this chapter, unless the context requires otherwise:

23 (1) “Acquire” or “acquisition” means obtaining equipment, supplies, components or facilities by
24 any means, including purchase, capital or operating lease, rental or donation, for the purpose of
25 using such equipment, supplies, components or facilities to provide health services in Oregon. When
26 equipment or other materials are obtained outside of this state, acquisition is considered to occur
27 when the equipment or other materials begin to be used in Oregon for the provision of health ser-
28 vices or when such services are offered for use in Oregon.

29 (2) “Affected persons” has the same meaning as given to “party” in ORS 183.310.

30 (3)(a) “Ambulatory surgical center” means a facility or portion of a facility that operates ex-
31 clusively for the purpose of providing surgical services to patients who do not require
32 hospitalization and for whom the expected duration of services does not exceed 24 hours following
33 admission.

34 (b) “Ambulatory surgical center” does not mean:

35 (A) Individual or group practice offices of private physicians or dentists that do not contain a
36 distinct area used for outpatient surgical treatment on a regular and organized basis, or that only
37 provide surgery routinely provided in a physician’s or dentist’s office using local anesthesia or
38 conscious sedation; or

39 (B) A portion of a licensed hospital designated for outpatient surgical treatment.

40 (4) “Delegated credentialing agreement” means a written agreement between an originating-site
41 hospital and a distant-site hospital that provides that the medical staff of the originating-site hospi-
42 tal will rely upon the credentialing and privileging decisions of the distant-site hospital in making
43 recommendations to the governing body of the originating-site hospital as to whether to credential
44 a telemedicine provider, practicing at the distant-site hospital either as an employee or under con-
45 tract, to provide telemedicine services to patients in the originating-site hospital.

1 (5) "Develop" means to undertake those activities that on their completion will result in the
2 offer of a new institutional health service or the incurring of a financial obligation, as defined under
3 applicable state law, in relation to the offering of such a health service.

4 (6) "Distant-site hospital" means the hospital where a telemedicine provider, at the time the
5 telemedicine provider is providing telemedicine services, is practicing as an employee or under
6 contract.

7 (7) "Expenditure" or "capital expenditure" means the actual expenditure, an obligation to an
8 expenditure, lease or similar arrangement in lieu of an expenditure, and the reasonable value of a
9 donation or grant in lieu of an expenditure but not including any interest thereon.

10 (8) "Extended stay center" means a facility licensed in accordance with ORS 441.026.

11 (9) "Freestanding birthing center" means a facility licensed for the primary purpose of per-
12 forming low risk deliveries.

13 (10) "Governmental unit" means the state, or any county, municipality or other political subdi-
14 vision, or any related department, division, board or other agency.

15 (11) "Gross revenue" means the sum of daily hospital service charges, ambulatory service
16 charges, ancillary service charges and other operating revenue. "Gross revenue" does not include
17 contributions, donations, legacies or bequests made to a hospital without restriction by the donors.

18 (12)(a) "Health care facility" means:

19 (A) A hospital;

20 (B) A long term care facility;

21 (C) An ambulatory surgical center;

22 (D) A freestanding birthing center;

23 (E) An outpatient renal dialysis facility; or

24 (F) An extended stay center.

25 (b) "Health care facility" does not mean:

26 (A) A residential facility licensed by the Department of Human Services or the Oregon [*Health*
27 *Authority*] **Department of Health** under ORS 443.415;

28 (B) An establishment furnishing primarily domiciliary care as described in ORS 443.205;

29 (C) A residential facility licensed or approved under the rules of the Department of Corrections;

30 (D) Facilities established by ORS 430.335 for treatment of substance abuse disorders; or

31 (E) Community mental health programs or community developmental disabilities programs es-
32 tablished under ORS 430.620.

33 (13) "Health maintenance organization" or "HMO" means a public organization or a private
34 organization organized under the laws of any state that:

35 (a) Is a qualified HMO under section 1310(d) of the U.S. Public Health Services Act; or

36 (b)(A) Provides or otherwise makes available to enrolled participants health care services, in-
37 cluding at least the following basic health care services:

38 (i) Usual physician services;

39 (ii) Hospitalization;

40 (iii) Laboratory;

41 (iv) X-ray;

42 (v) Emergency and preventive services; and

43 (vi) Out-of-area coverage;

44 (B) Is compensated, except for copayments, for the provision of the basic health care services
45 listed in subparagraph (A) of this paragraph to enrolled participants on a predetermined periodic

1 rate basis; and

2 (C) Provides physicians' services primarily directly through physicians who are either employees
3 or partners of such organization, or through arrangements with individual physicians or one or more
4 groups of physicians organized on a group practice or individual practice basis.

5 (14) "Health services" means clinically related diagnostic, treatment or rehabilitative services,
6 and includes alcohol, drug or controlled substance abuse and mental health services that may be
7 provided either directly or indirectly on an inpatient or ambulatory patient basis.

8 (15) "Hospital" means:

9 (a) A facility with an organized medical staff and a permanent building that is capable of pro-
10 viding 24-hour inpatient care to two or more individuals who have an illness or injury and that
11 provides at least the following health services:

12 (A) Medical;

13 (B) Nursing;

14 (C) Laboratory;

15 (D) Pharmacy; and

16 (E) Dietary; or

17 (b) A special inpatient care facility as that term is defined by the [authority] **Oregon Depart-**
18 **ment of Health** by rule.

19 (16) "Institutional health services" means health services provided in or through health care
20 facilities and the entities in or through which such services are provided.

21 (17) "Intermediate care facility" means a facility that provides, on a regular basis, health-related
22 care and services to individuals who do not require the degree of care and treatment that a hospital
23 or skilled nursing facility is designed to provide, but who because of their mental or physical con-
24 dition require care and services above the level of room and board that can be made available to
25 them only through institutional facilities.

26 (18)(a) "Long term care facility" means a permanent facility with inpatient beds, providing:

27 (A) Medical services, including nursing services but excluding surgical procedures except as
28 may be permitted by the rules of the Director of Human Services; and

29 (B) Treatment for two or more unrelated patients.

30 (b) "Long term care facility" includes skilled nursing facilities and intermediate care facilities
31 but does not include facilities licensed and operated pursuant to ORS 443.400 to 443.455.

32 (19) "New hospital" means:

33 (a) A facility that did not offer hospital services on a regular basis within its service area within
34 the prior 12-month period and is initiating or proposing to initiate such services; or

35 (b) Any replacement of an existing hospital that involves a substantial increase or change in the
36 services offered.

37 (20) "New skilled nursing or intermediate care service or facility" means a service or facility
38 that did not offer long term care services on a regular basis by or through the facility within the
39 prior 12-month period and is initiating or proposing to initiate such services. "New skilled nursing
40 or intermediate care service or facility" also includes the rebuilding of a long term care facility, the
41 relocation of buildings that are a part of a long term care facility, the relocation of long term care
42 beds from one facility to another or an increase in the number of beds of more than 10 or 10 percent
43 of the bed capacity, whichever is the lesser, within a two-year period.

44 (21) "Offer" means that the health care facility holds itself out as capable of providing, or as
45 having the means for the provision of, specified health services.

1 (22) "Originating-site hospital" means a hospital in which a patient is located while receiving
2 telemedicine services.

3 (23) "Outpatient renal dialysis facility" means a facility that provides renal dialysis services
4 directly to outpatients.

5 (24) "Person" means an individual, a trust or estate, a partnership, a corporation (including as-
6 sociations, joint stock companies and insurance companies), a state, or a political subdivision or
7 instrumentality, including a municipal corporation, of a state.

8 (25) "Skilled nursing facility" means a facility or a distinct part of a facility, that is primarily
9 engaged in providing to inpatients skilled nursing care and related services for patients who require
10 medical or nursing care, or an institution that provides rehabilitation services for the rehabilitation
11 of individuals who are injured or sick or who have disabilities.

12 (26) "Telemedicine" means the provision of health services to patients by physicians and health
13 care practitioners from a distance using electronic communications, including synchronous technol-
14 ogies to facilitate an exchange of information between a patient and physician or health care prac-
15 titioner in real time or asynchronous technologies to facilitate an exchange of information between
16 a patient and a physician or health care practitioner in other than real time.

17 **SECTION 1074.** ORS 442.315 is amended to read:

18 442.315. (1) Any new hospital or new skilled nursing or intermediate care service or facility not
19 excluded pursuant to ORS 441.065 shall obtain a certificate of need from the Oregon [*Health Au-*
20 *thority*] **Department of Health** prior to an offering or development.

21 (2) The [*authority*] **Oregon Department of Health** shall adopt rules specifying criteria and
22 procedures for making decisions as to the need for the new services or facilities.

23 (3)(a) An applicant for a certificate of need shall apply to the [*authority*] **Oregon Department**
24 **of Health** on forms provided for this purpose by [*authority*] **department** rule.

25 (b) An applicant shall pay a fee prescribed as provided in this section. Subject to the approval
26 of the Oregon Department of Administrative Services, the [*authority*] **Oregon Department of**
27 **Health** shall prescribe application fees, based on the complexity and scope of the proposed project.

28 (4)(a) The [*authority*] **Oregon Department of Health** shall issue a draft recommendation in re-
29 sponse to an application for a certificate of need.

30 (b) The [*authority*] **department** may establish an expedited review process for an application for
31 a certificate of need to rebuild a long term care facility, relocate buildings that are part of a long
32 term care facility or relocate long term care facility bed capacity from one long term care facility
33 to another. The [*authority*] **department** shall issue a draft recommendation not later than 120 days
34 after the date a complete application subject to expedited review is received by the [*authority*] **de-**
35 **partment**.

36 (5)(a) An applicant or any affected person who is dissatisfied with the draft recommendation of
37 the [*authority*] **Oregon Department of Health** is entitled to an informal hearing before the [*au-*
38 *thority*] **department** in the course of review and before a proposed decision is rendered. Following
39 an informal hearing, or if no applicant or affected person requests an informal hearing within a pe-
40 riod of time prescribed by the [*authority*] **department** by rule, the [*authority*] **department** shall is-
41 sue a proposed decision.

42 (b) An applicant or affected person is entitled to a contested case hearing in accordance with
43 ORS chapter 183 to challenge the proposed decision of the [*authority*] **department**. Following a
44 contested case hearing, or if no applicant or affected person requests a contested case hearing
45 within a period of time prescribed by the [*authority*] **department** by rule, the [*authority*] **depart-**

1 **ment** shall issue a final order granting, with or without limitations, or denying the certificate of
2 need.

3 (6) Once a certificate of need has been granted, it may not be revoked or rescinded unless it
4 was acquired by fraud or deceit. However, if the [authority] **Oregon Department of Health** finds
5 that a person is offering or developing a project that is not within the scope of the certificate of
6 need, the [authority] **department** may limit the project as specified in the granted certificate of need
7 or reconsider the application. A certificate of need is not transferable.

8 (7) Nothing in this section applies to any hospital, skilled nursing or intermediate care service
9 or facility that seeks to replace equipment with equipment of similar basic technological function
10 or an upgrade that improves the quality or cost-effectiveness of the service provided. Any person
11 acquiring such replacement or upgrade shall file a letter of intent for the project in accordance with
12 the rules of the [authority] **Oregon Department of Health** if the price of the replacement equipment
13 or upgrade exceeds \$1 million.

14 (8) Except as required in subsection (1) of this section for a new hospital or new skilled nursing
15 or intermediate care service or facility not operating as a Medicare swing bed program, nothing in
16 this section requires a rural hospital as defined in ORS 442.470 (6)(a)(A) and (B) to obtain a certifi-
17 cate of need.

18 (9) Nothing in this section applies to basic health services, but basic health services do not in-
19 clude:

- 20 (a) Magnetic resonance imaging scanners;
- 21 (b) Positron emission tomography scanners;
- 22 (c) Cardiac catheterization equipment;
- 23 (d) Megavoltage radiation therapy equipment;
- 24 (e) Extracorporeal shock wave lithotriptors;
- 25 (f) Neonatal intensive care;
- 26 (g) Burn care;
- 27 (h) Trauma care;
- 28 (i) Inpatient psychiatric services;
- 29 (j) Inpatient chemical dependency services;
- 30 (k) Inpatient rehabilitation services;
- 31 (L) Open heart surgery; or
- 32 (m) Organ transplant services.

33 (10) In addition to any other remedy provided by law, whenever it appears that any person is
34 engaged in, or is about to engage in, any acts that constitute a violation of this section, or any rule
35 or order issued by the [authority] **Oregon Department of Health** under this section, the
36 [authority] **department** may institute proceedings in the circuit courts to enforce obedience to such
37 statute, rule or order by injunction or by other processes, mandatory or otherwise.

38 (11) As used in this section, "basic health services" means health services offered in or through
39 a hospital licensed under ORS chapter 441, except skilled nursing or intermediate care nursing fa-
40 cilities or services and those services specified in subsection (9) of this section.

41 **SECTION 1075.** ORS 442.325 is amended to read:

42 442.325. (1) A certificate of need shall be required for the development or establishment of a
43 health care facility of any new health maintenance organization.

44 (2) Any activity of a health maintenance organization which does not involve the direct delivery
45 of health services, as distinguished from arrangements for indirect delivery of health services

1 through contracts with providers, shall be exempt from certificate of need review.

2 (3) Nothing in ORS 244.050, 431.250, 441.015 to 441.087, 442.015 to 442.420 and 442.450 applies
3 to any decision of a health maintenance organization involving its organizational structure, its ar-
4 rangements for financing health services, the terms of its contracts with enrolled beneficiaries or
5 its scope of benefits.

6 (4) With the exception of certificate of need requirements, when applicable, the licensing and
7 regulation of health maintenance organizations shall be controlled by ORS 750.005 to 750.095 and
8 statutes incorporated by reference therein.

9 (5) It is the policy of ORS 244.050, 431.250, 441.015 to 441.087, 442.015 to 442.420 and 442.450 to
10 encourage the growth of health maintenance organizations as an alternative delivery system and to
11 provide the facilities for the provision of quality health care to the present and future members who
12 may enroll within their defined service area.

13 (6)(a) It is also the policy of ORS 244.050, 431.250, 441.015 to 441.087, 442.015 to 442.420 and
14 442.450 to consider the special needs and circumstances of health maintenance organizations. Such
15 needs and circumstances include the needs of and costs to members and projected members of the
16 health maintenance organization in obtaining health services and the potential for a reduction in the
17 use of inpatient care in the community through an extension of preventive health services and the
18 provision of more systematic and comprehensive health services. The consideration of a new health
19 service proposed by a health maintenance organization shall also address the availability and cost
20 of obtaining the proposed new health service from the existing providers in the area that are not
21 health maintenance organizations.

22 (b) The Oregon [*Health Authority*] **Department of Health** shall issue a certificate of need for
23 beds, services or equipment to meet the needs or reasonably anticipated needs of members of health
24 maintenance organizations when beds, services or equipment are not available from nonplan pro-
25 viders.

26 **SECTION 1076.** ORS 442.342 is amended to read:

27 442.342. (1) Notwithstanding any other provision of law, a hospital licensed under ORS 441.025,
28 in accordance with rules adopted by the Oregon [*Health Authority*] **Department of Health**, may
29 apply for waiver from the provisions of ORS 442.325, and the [*authority*] **department** shall grant the
30 waiver if, for the most recently completed hospital fiscal year preceding the date of application for
31 waiver and each succeeding fiscal year thereafter, the percentage of qualified inpatient revenue is
32 not less than that described in subsection (2) of this section.

33 (2)(a) The percentage of qualified inpatient revenue for the first year in which a hospital is
34 granted a waiver under subsection (1) of this section may not be less than 60 percent.

35 (b) The percentage in paragraph (a) of this subsection shall be increased by five percentage
36 points in each succeeding hospital fiscal year until the percentage of qualified inpatient revenue
37 equals or exceeds 75 percent.

38 (3) As used in this section:

39 (a) "Qualified inpatient revenue" means revenue earned from public and private payers for in-
40 patient hospital services approved by the [*authority*] **department** pursuant to rules, including:

41 (A) Revenue earned pursuant to Title XVIII, United States Social Security Act, when such re-
42 venue is based on diagnostic related group prices that include capital-related expenses or other
43 risk-based payment programs as approved by the [*authority*] **department**;

44 (B) Revenue earned pursuant to Title XIX, United States Social Security Act, when such revenue
45 is based on diagnostic related group prices that include capital-related expenses;

1 (C) Revenue earned under negotiated arrangements with public or private payers based on all-
2 inclusive per diem rates for one or more hospital service categories;

3 (D) Revenue earned under negotiated arrangements with public or private payers based on all-
4 inclusive per discharge or per admission rates related to diagnostic related groups or other service
5 or intensity-related measures;

6 (E) Revenue earned under arrangements with one or more health maintenance organizations; or

7 (F) Other prospectively determined forms of inpatient hospital reimbursement approved in ad-
8 vance by the [authority] **department** in accordance with rules.

9 (b) "Percentage of qualified inpatient revenue" means qualified inpatient revenue divided by
10 total gross inpatient revenue as defined by administrative rule of the [authority] **department**.

11 (4)(a) The [authority] **department** shall hold a hearing to determine the cause if any hospital
12 granted a waiver pursuant to subsection (1) of this section fails to reach the applicable percentage
13 of qualified inpatient revenue in any subsequent fiscal year of the hospital.

14 (b) If the [authority] **department** finds that the failure was without just cause and that the
15 hospital has undertaken projects that, except for the provisions of this section, would have been
16 subject to ORS 442.325, the [authority] **department** shall impose one of the penalties outlined in
17 paragraph (c) of this subsection.

18 (c)(A) A one-time civil penalty of not less than \$25,000 or more than \$250,000; or

19 (B) An annual civil penalty equal to an amount not to exceed 110 percent of the net profit de-
20 rived from such project or projects for a period not to exceed five years.

21 (5) Nothing in this section shall be construed to permit a hospital to develop a new inpatient
22 hospital facility or provide new services authorized by facilities defined as "long term care
23 facility" under ORS 442.015 under a waiver granted pursuant to subsection (1) of this section.

24 **SECTION 1077.** ORS 442.362 is amended to read:

25 442.362. The Oregon [Health Authority] **Department of Health** may adopt rules requiring re-
26 porting entities within the state to publicly report proposed capital projects. Rules adopted under
27 this section must:

28 (1) Require a reporting entity to establish on the home page of its website a prominently labeled
29 link to information about proposed or pending capital projects. The information posted must include
30 but is not limited to a report of the community benefit for the project, its estimated cost and a
31 means for interested persons to submit comments. When a reporting entity posts the information
32 required under this subsection, the reporting entity must notify the [authority] **department** of the
33 posting in the manner prescribed by the [authority] **department**.

34 (2) If a reporting entity does not have a website, require the reporting entity to publish notice
35 of the proposed capital project in a major newspaper or online equivalent serving the region in
36 which the proposed capital project will be located. The notice must include but is not limited to a
37 report of the community benefit for the project, its estimated cost and a means for interested per-
38 sons to submit comments. When a reporting entity publishes the information required under this
39 subsection, the reporting entity must notify the [authority] **department** of the publication in the
40 manner prescribed by the [authority] **department**.

41 (3) Establish a publicly available resource for information collected under this section.

42 **SECTION 1078.** ORS 442.370 is amended to read:

43 442.370. (1) In order to provide data essential for health planning programs:

44 (a) The Oregon [Health Authority] **Department of Health** shall obtain directly from each hos-
45 pital licensed to operate in this state, or from a third party working on behalf of or by contract with

1 the hospital, the following information prescribed by the [authority] **department** by rule:

- 2 (A) Ambulatory surgery discharge abstract records;
- 3 (B) Inpatient discharge abstract records; and
- 4 (C) Emergency department discharge abstract records.

5 (b) The [authority] **department** shall obtain directly from each ambulatory surgical center li-
6 censed to operate in this state, or from a third party working on behalf of or by contract with the
7 ambulatory surgical center, the following information prescribed by the [authority] **department** by
8 rule:

9 (A) Ambulatory surgery discharge abstract records; and

10 (B) Discharge abstract records of patients discharged from extended stay centers licensed under
11 ORS 441.026 that are affiliated with the ambulatory surgical center.

12 (2) The [authority] **department** may establish by rule a fee to be charged to each ambulatory
13 surgical center.

14 (3) The fee established under subsection (2) of this section may not exceed the cost of abstract-
15 ing and compiling the records.

16 (4) The [authority] **department** may specify by rule the form in which records are to be sub-
17 mitted. If the form adopted by rule requires conversion from the form regularly used by a hospital,
18 ambulatory surgical center or extended stay center, reasonable costs of such conversion shall be
19 paid by the [authority] **department**.

20 (5) The [authority] **department** may provide by rule for the submission of ambulatory surgery,
21 inpatient and emergency department discharge abstract records for enrollees in a health mainte-
22 nance organization in a form the [authority] **department** determines appropriate to the
23 [authority's] **department's** needs for the data and the organization's record keeping and reporting
24 systems for charges and services.

25 (6) The [authority] **department** shall notify any entity submitting data under this section of any
26 changes to the data sets that must be submitted, no later than July 1 of the calendar year preceding
27 the effective date of the changes.

28 (7) The [authority] **department** may contract with a third party to receive and process the re-
29 cords submitted under this section.

30 **SECTION 1079.** ORS 442.373 is amended to read:

31 442.373. (1) The Oregon [Health Authority] **Department of Health** shall establish and maintain
32 a program that requires reporting entities to report health care data for the following purposes:

33 (a) Determining the maximum capacity and distribution of existing resources allocated to health
34 care.

35 (b) Identifying the demands for health care.

36 (c) Allowing health care policymakers to make informed choices.

37 (d) Evaluating the effectiveness of intervention programs in improving health outcomes.

38 (e) Comparing the costs and effectiveness of various treatment settings and approaches.

39 (f) Providing information to consumers and purchasers of health care.

40 (g) Improving the quality and affordability of health care and health care coverage.

41 (h) Assisting the [authority] **department** in furthering the health policies expressed by the
42 Legislative Assembly in ORS 442.310.

43 (i) Evaluating health disparities, including but not limited to disparities related to race and
44 ethnicity.

45 (2) The [authority] **department** shall prescribe by rule standards that are consistent with stan-

1 dards adopted by the Accredited Standards Committee X12 of the American National Standards In-
2 stitute, the Centers for Medicare and Medicaid Services and the National Council for Prescription
3 Drug Programs that:

4 (a) Establish the time, place, form and manner of reporting data under this section, including
5 but not limited to:

6 (A) Requiring the use of unique patient and provider identifiers;

7 (B) Specifying a uniform coding system that reflects all health care utilization and costs for
8 health care services provided to Oregon residents in other states; and

9 (C) Establishing enrollment thresholds below which reporting will not be required.

10 (b) Establish the types of data to be reported under this section, including but not limited to:

11 (A) Health care claims and enrollment data used by reporting entities and paid health care
12 claims data;

13 (B) Reports, schedules, statistics or other data relating to health care costs, prices, quality,
14 utilization or resources determined by the [authority] **department** to be necessary to carry out the
15 purposes of this section; and

16 (C) Data related to race, ethnicity and primary language collected in a manner consistent with
17 established national standards.

18 (3) Any third party administrator that is not required to obtain a license under ORS 744.702 and
19 that is legally responsible for payment of a claim for a health care item or service provided to an
20 Oregon resident may report to the [authority] **department** the health care data described in sub-
21 section (2) of this section.

22 (4) The [authority] **department** shall adopt rules establishing requirements for reporting entities
23 to train providers on protocols for collecting race, ethnicity and primary language data in a cul-
24 turally competent manner.

25 (5)(a) The [authority] **department** shall use data collected under this section to provide infor-
26 mation to consumers of health care to empower the consumers to make economically sound and
27 medically appropriate decisions. The information must include, but not be limited to, the prices and
28 quality of health care services.

29 (b) The [authority] **department** shall, using only data collected under this section from reporting
30 entities described in ORS 442.372 (1) to (3), post to its website health care price information in-
31 cluding the median prices paid by the reporting entities to hospitals and hospital outpatient clinics
32 for, at a minimum, the 50 most common inpatient procedures and the 100 most common outpatient
33 procedures.

34 (c) The health care price information posted to the website must be:

35 (A) Displayed in a consumer friendly format;

36 (B) Easily accessible by consumers; and

37 (C) Updated at least annually to reflect the most recent data available.

38 (d) The [authority] **department** shall apply for and receive donations, gifts and grants from any
39 public or private source to pay the cost of posting health care price information to its website in
40 accordance with this subsection. Moneys received shall be deposited to the Oregon [Health
41 Authority] **Department of Health** Fund.

42 (e) The obligation of the [authority] **department** to post health care price information to its
43 website as required by this subsection is limited to the extent of any moneys specifically appropri-
44 ated for that purpose or available from donations, gifts and grants from private or public sources.

45 (6) The [authority] **department** may contract with a third party to collect and process the health

1 care data reported under this section. The contract must prohibit the collection of Social Security
 2 numbers and must prohibit the disclosure or use of the data for any purpose other than those spe-
 3 cifically authorized by the contract. The contract must require the third party to transmit all data
 4 collected and processed under the contract to the [authority] **department**.

5 (7) The [authority] **department** shall facilitate a collaboration between the Department of Hu-
 6 man Services, the [authority] **Oregon Department of Health**, the Department of Consumer and
 7 Business Services and interested stakeholders to develop a comprehensive health care information
 8 system using the data reported under this section and collected by the [authority] **Oregon Depart-**
 9 **ment of Health** under ORS 442.370 and 442.400 to 442.463. The [authority] **department**, in consul-
 10 tation with interested stakeholders, shall:

11 (a) Formulate the data sets that will be included in the system;

12 (b) Establish the criteria and procedures for the development of limited use data sets;

13 (c) Establish the criteria and procedures to ensure that limited use data sets are accessible and
 14 compliant with federal and state privacy laws; and

15 (d) Establish a time frame for the creation of the comprehensive health care information system.

16 (8) Information disclosed through the comprehensive health care information system described
 17 in subsection (7) of this section:

18 (a) Shall be available, when disclosed in a form and manner that ensures the privacy and secu-
 19 rity of personal health information as required by state and federal laws, as a resource to insurers,
 20 employers, providers, purchasers of health care and state agencies to allow for continuous review
 21 of health care utilization, expenditures and performance in this state;

22 (b) Shall be available to Oregon programs for quality in health care for use in improving health
 23 care in Oregon, subject to rules prescribed by the [authority] **Oregon Department of Health** con-
 24 forming to state and federal privacy laws or limiting access to limited use data sets;

25 (c) Shall be presented to allow for comparisons of geographic, demographic and economic factors
 26 and institutional size; and

27 (d) May not disclose trade secrets of reporting entities.

28 (9) The collection, storage and release of health care data and other information under this
 29 section is subject to the requirements of the federal Health Insurance Portability and Accountability
 30 Act.

31 (10)(a) Notwithstanding subsection (9) of this section, in addition to the comprehensive health
 32 care information system described in subsection (7) of this section, the Department of Consumer and
 33 Business Services shall be allowed to access, use and disclose data collected under this section by
 34 certifying in writing that the data will be used only to carry out the department's duties.

35 (b) Personally identifiable information disclosed to the department under paragraph (a) of this
 36 subsection, including a consumer's name, address, telephone number or electronic mail address, is
 37 confidential and not subject to further disclosure under ORS 192.311 to 192.478.

38 **SECTION 1080.** ORS 442.386 is amended to read:

39 442.386. (1) The Legislative Assembly intends to establish a health care cost growth target, for
 40 all providers and payers, to:

41 (a) Support accountability for the total cost of health care across all providers and payers, both
 42 public and private;

43 (b) Build on the state's existing efforts around health care payment reform and containment of
 44 health care costs; and

45 (c) Ensure the long-term affordability and financial sustainability of the health care system in

1 this state.

2 (2) The Health Care Cost Growth Target program is established. The program shall be admin-
3 istered by the Oregon [*Health Authority*] **Department of Health** in collaboration with the Depart-
4 ment of Consumer and Business Services, subject to the oversight of the Oregon Health Policy
5 Board. The program shall establish a health care cost growth target for increases in total health
6 expenditures and shall review and modify the target on a periodic basis.

7 (3) The health care cost growth target must:

8 (a) Promote a predictable and sustainable rate of growth for total health expenditures as meas-
9 ured by an economic indicator adopted by the board, such as the rate of increase in this state's
10 economy or of the personal income of residents of this state;

11 (b) Apply to all providers and payers in the health care system in this state;

12 (c) Use established economic indicators; and

13 (d) Be measurable on a per capita basis, statewide basis and health care entity basis.

14 (4) The program shall establish a methodology for calculating health care cost growth:

15 (a) Statewide;

16 (b) For each provider and payer, taking into account the health status of the patients of the
17 provider or the beneficiary of the payer; and

18 (c) Per capita.

19 (5) The program shall establish requirements for providers and payers to report data and other
20 information necessary to calculate health care cost growth under subsection (4) of this section.

21 (6) Annually, the program shall:

22 (a) Hold public hearings on the growth in total health expenditures in relation to the health care
23 cost growth in the previous calendar year;

24 (b) Publish a report on health care costs and spending trends that includes:

25 (A) Factors impacting costs and spending; and

26 (B) Recommendations for strategies to improve the efficiency of the health care system; and

27 (c) For providers and payers for which health care cost growth in the previous calendar year
28 exceeded the health care cost growth target:

29 (A) Analyze the cause for exceeding the health care cost growth target; and

30 (B) Require the provider or payer to develop and undertake a performance improvement plan.

31 (7)(a) The [*authority*] **Oregon Department of Health** shall adopt by rule criteria for waiving the
32 requirement for a provider or payer to undertake a performance improvement plan, if necessitated
33 by unforeseen market conditions or other equitable factors.

34 (b) The [*authority*] **department** shall collaborate with a provider or payer that is required to
35 develop and undertake a performance improvement plan by:

36 (A) Providing a template for performance improvement plans, guidelines and a time frame for
37 submission of the plan;

38 (B) Providing technical assistance such as webinars, office hours, consultation with technical
39 assistance providers or staff, or other guidance; and

40 (C) Establishing a contact at the [*authority*] **department** who can work with the provider or
41 payer in developing the performance improvement plan.

42 (8) A performance improvement plan must:

43 (a) Identify key cost drivers and include concrete steps a provider or payer will take to address
44 the cost drivers;

45 (b) Identify an appropriate time frame by which a provider or payer will reduce the cost drivers

1 and be subject to an evaluation by the [authority] **department**; and

2 (c) Have clear measurements of success.

3 (9) The [authority] **Oregon Department of Health** shall adopt by rule criteria for imposing a
4 financial penalty on any provider or payer that exceeds the cost growth target without reasonable
5 cause in three out of five calendar years or on any provider or payer that does not participate in
6 the program. The criteria must be based on the degree to which the provider or payer exceeded the
7 target and other factors, including but not limited to:

8 (a) The size of the provider or payer organization;

9 (b) The good faith efforts of the provider or payer to address health care costs;

10 (c) The provider's or payer's cooperation with the [authority] or the department;

11 (d) Overlapping penalties that may be imposed for failing to meet the target, such as require-
12 ments relating to medical loss ratios; and

13 (e) A provider's or payer's overall performance in reducing cost across all markets served by the
14 provider or payer.

15 **SECTION 1081.** ORS 442.392 is amended to read:

16 442.392. (1) The Oregon [Health Authority] **Department of Health** shall prescribe by rule a
17 uniform payment methodology for hospital and ambulatory surgical center services that:

18 (a) Incorporates the most recent Medicare payment methodologies established by the Centers for
19 Medicare and Medicaid Services, or similar payment methodologies, for hospital and ambulatory
20 surgical center services;

21 (b) Includes payment methodologies for services and equipment that are not fully addressed by
22 Medicare payment methodologies; and

23 (c) Allows for the use of alternative payment methodologies, including but not limited to pay-
24 for-performance, bundled payments and capitation.

25 (2) In developing the payment methodologies described in this section, the [authority] **depart-**
26 **ment** shall convene and be advised by a work group consisting of providers, insurers and consumers
27 of the types of health care services that are subject to the methodologies.

28 **SECTION 1082.** ORS 442.394 is amended to read:

29 442.394. (1) A hospital or ambulatory surgical center shall bill and accept as payment in full an
30 amount determined in accordance with ORS 243.256 and 243.879, if applicable, or the payment
31 methodology prescribed by the Oregon [Health Authority] **Department of Health** under ORS
32 442.392.

33 (2) This section does not apply to type A or type B hospitals, as described in ORS 442.470, or
34 rural critical access hospitals, as defined in ORS 442.470.

35 **SECTION 1083.** ORS 442.396 is amended to read:

36 442.396. An insurer, as defined in ORS 731.106, that contracts with the Oregon [Health
37 Authority] **Department of Health**, including with the Public Employees' Benefit Board and the
38 Oregon Educators Benefit Board, to provide health insurance coverage for state employees, educa-
39 tors or medical assistance recipients must annually attest, on a form and in a manner prescribed
40 by the [authority] **department**, to its compliance with ORS 243.256, 243.879, 442.392 and 442.394. A
41 contract with an insurer subject to the requirements of this section may not be renewed without the
42 attestation required by this section.

43 **SECTION 1084.** ORS 442.420 is amended to read:

44 442.420. (1) The Oregon [Health Authority] **Department of Health** may apply for, receive and
45 accept grants, gifts, payments and other funds and advances, appropriations, properties and services

1 from the United States, the State of Oregon or any governmental body, agency or agencies or from
2 any other public or private corporation or person, and enter into agreements with respect thereto,
3 including the undertaking of studies, plans, demonstrations or projects.

4 (2) The [authority] **department** shall conduct or cause to have conducted such analyses and
5 studies relating to costs of health care facilities as considered desirable, including but not limited
6 to methods of reducing such costs, utilization review of services of health care facilities, peer re-
7 view, quality control, financial status of any facility subject to ORS 442.400 to 442.463 and sources
8 of public and private financing of financial requirements of such facilities.

9 (3) The [authority] **department** may also:

10 (a) Hold public hearings, conduct investigations and require the filing of information relating to
11 any matter affecting the costs of and charges for services in all health care facilities;

12 (b) Subpoena witnesses, papers, records and documents the [authority] **department** considers
13 material or relevant in connection with functions of the [authority] **department** subject to the pro-
14 visions of ORS chapter 183;

15 (c) Exercise, subject to the limitations and restrictions imposed by ORS 442.400 to 442.463, all
16 other powers which are reasonably necessary or essential to carry out the express objectives and
17 purposes of ORS 442.400 to 442.463; and

18 (d) Adopt rules in accordance with ORS chapter 183 for carrying out the functions of the [au-
19 thority] **department**.

20 **SECTION 1085.** ORS 442.425 is amended to read:

21 442.425. (1) The Oregon [Health Authority] **Department of Health** by rule may specify one or
22 more uniform systems of financial reporting necessary to meet the requirements of ORS 442.400 to
23 442.463. Such systems shall include such cost allocation methods as may be prescribed and such
24 records and reports of revenues, expenses, other income and other outlays, assets and liabilities, and
25 units of service as may be prescribed. Each facility under the [authority's] **department's** jurisdic-
26 tion shall adopt such systems for its fiscal period starting on or after the effective date of such
27 system and shall make the required reports on such forms as may be required by the [authority]
28 **department**. The [authority] **department** may extend the period by which compliance is required
29 upon timely application and for good cause. Filings of such records and reports shall be made at
30 such times as may be reasonably required by the [authority] **department**.

31 (2) Existing systems of reporting used by health care facilities shall be given due consideration
32 by the [authority] **department** in carrying out the duty of specifying the systems of reporting re-
33 quired by ORS 442.400 to 442.463. The [authority] **department** insofar as reasonably possible shall
34 adopt reporting systems and requirements that will not unreasonably increase the administrative
35 costs of the facility.

36 (3) The [authority] **department** may allow and provide for modifications in the reporting systems
37 in order to correctly reflect differences in the scope or type of services and financial structure be-
38 tween the various categories, sizes or types of health care facilities and in a manner consistent with
39 the purposes of ORS 442.400 to 442.463.

40 (4) The [authority] **department** may establish specific annual reporting provisions for facilities
41 that receive a preponderance of their revenue from associated comprehensive group-practice pre-
42 payment health care service plans. Notwithstanding any other provisions of ORS 442.400 to 442.463,
43 such facilities shall be authorized to utilize established accounting systems and to report costs and
44 revenues in a manner consistent with the operating principles of such plans and with generally ac-
45 cepted accounting principles. When such facilities are operated as units of a coordinated group of

1 health facilities under common ownership, the facilities shall be authorized to report as a group
2 rather than as individual institutions, and as a group shall submit a consolidated balance sheet, in-
3 come and expense statement and statement of source and application of funds for such group of
4 health facilities.

5 **SECTION 1086.** ORS 442.430 is amended to read:

6 442.430. (1) Whenever a further investigation is considered necessary or desirable by the Oregon
7 [Health Authority] **Department of Health** to verify the accuracy of the information in the reports
8 made by health care facilities, the [authority] **department** may make any necessary further exam-
9 ination of the facility's records and accounts. Such further examinations include, but are not limited
10 to, requiring a full or partial audit of all such records and accounts.

11 (2) In carrying out the duties prescribed by ORS 442.400 to 442.463, the [authority] **department**
12 may utilize its own staff or may contract with any appropriate, independent, qualified third party.
13 No such contractor shall release or publish or otherwise use any information made available to it
14 under its contractual responsibility unless such permission is specifically granted by the [authority]
15 **department.**

16 **SECTION 1087.** ORS 442.460 is amended to read:

17 442.460. In order to obtain regional or statewide data about the utilization and cost of health
18 care services, the Oregon [Health Authority] **Department of Health** may accept information relat-
19 ing to the utilization and cost of health care services identified by the [authority] **department** from
20 physicians, insurers or other third-party payers or employers or other purchasers of health care.

21 **SECTION 1088.** ORS 442.463 is amended to read:

22 442.463. (1) Each licensed health facility shall file with the Oregon [Health Authority] **Depart-**
23 **ment of Health** an annual report containing such information related to the facility's utilization
24 as may be required by the [authority] **department**, in such form as the [authority] **department**
25 prescribes by rule.

26 (2) The annual report shall contain such information as may be required by rule of the
27 [authority] **department** and must be approved by the [authority] **department.**

28 **SECTION 1089.** ORS 442.502 is amended to read:

29 442.502. (1) For purposes of determining the size of a rural hospital, beds certified by the Oregon
30 [Health Authority] **Department of Health** on the license of the hospital as special inpatient care
31 beds shall not be included.

32 (2) As used in this section, "special inpatient care beds" means beds that:

33 (a) Are used for the treatment of patients with mental illness or for the treatment of alcoholism
34 or drug abuse, or are located in a rehabilitation center, a college infirmary, a chiropractic facility,
35 a freestanding hospice facility, an infirmary for the homeless or an inpatient care facility described
36 in ORS 441.065;

37 (b) Are physically separate from acute inpatient care beds, at least by being located on separate
38 floors or wings of the same building;

39 (c) Are never used for acute patient care;

40 (d) Are staffed by dedicated direct care personnel for whom separate employment records are
41 maintained;

42 (e) Have separate medical directors; and

43 (f) Maintain separate admission, discharge and patient records.

44 **SECTION 1090.** ORS 442.602 is amended to read:

45 442.602. (1) The Oregon [Health Authority] **Department of Health** shall by rule adopt a cost-

1 based community benefit reporting system for hospitals operating in Oregon that is consistent with
2 established national standards for hospital reporting of community benefits.

3 (2) Within 90 days of filing a Medicare cost report, a hospital must submit a community benefit
4 report to the [authority] **department** of the community benefits provided by the hospital, on a form
5 prescribed by the [authority] **department**.

6 (3) The [authority] **department** shall produce an annual report of the information provided un-
7 der subsections (1) and (2) of this section. The report shall be submitted to the Governor, the Pres-
8 ident of the Senate and the Speaker of the House of Representatives. The report shall be presented
9 to the Legislative Assembly during each odd-numbered year regular session and shall be made
10 available to the public.

11 (4) The [authority] **department** may adopt all rules necessary to carry out the provisions of this
12 section.

13 **SECTION 1091.** ORS 442.610 is amended to read:

14 442.610. (1) As used in this section:

15 (a) “Financial assistance policy” means a policy that meets the requirements of section 501(r)
16 of the Internal Revenue Code and implementing regulations.

17 (b) “Hospital” has the meaning given that term in ORS 442.015.

18 (2) A hospital shall have a written financial assistance policy that complies with the plain lan-
19 guage standards for consumer contracts under ORS 180.545 (1).

20 (3) A hospital shall:

21 (a) Provide a paper copy of the financial assistance policy to a patient upon request;

22 (b) Include on each billing statement notice of:

23 (A) The availability of financial assistance;

24 (B) The contact information for the office or department of the hospital that can provide infor-
25 mation about obtaining financial assistance; and

26 (C) The direct Internet address for the financial assistance policy; and

27 (c) Maintain public displays in locations in the hospital that are accessible to the public that
28 notify and inform patients about the financial assistance policy. Locations that are accessible to the
29 public include but are not limited to the emergency department, if any, and the areas where patient
30 admissions are processed.

31 (4) The Oregon [Health Authority] **Department of Health** shall make available to hospitals and
32 the general public a uniform application for financial assistance, created by a trade association
33 representing hospitals, that may be used in any hospital in this state to request financial assistance.

34 **SECTION 1092.** ORS 442.618 is amended to read:

35 442.618. (1) As used in this section, “health care facility” has the meaning given that term in
36 ORS 442.015, excluding long term care facilities.

37 (2) A hospital shall report annually to the Oregon [Health Authority] **Department of Health** the
38 following information regarding all health care facilities and affiliated clinics that are owned in part
39 or in full by the hospital or operating under the same brand as the hospital:

40 (a) The address of each health care facility and affiliated clinic;

41 (b) Whether the hospital’s financial assistance policy, developed under ORS 442.614, is posted in
42 the health care facility and affiliated clinic and available to patients of the facility and affiliated
43 clinic; and

44 (c) Whether the hospital is a nonprofit entity and whether the hospital’s nonprofit status applies
45 to the hospital’s affiliated clinics.

1 (3) The [authority] **department** shall prescribe the form and manner for reporting the informa-
2 tion described in subsection (2) of this section.

3 (4) A hospital that fails to file a timely report, as prescribed by the [authority] **department**, may
4 be subject to a civil penalty not to exceed \$500 per day. Civil penalties shall be imposed as provided
5 in ORS 183.745.

6 **SECTION 1093.** ORS 442.624 is amended to read:

7 442.624. (1) Every two years, the Oregon [Health Authority] **Department of Health** shall es-
8 tablish a community benefit spending floor as provided in this section based on objective data and
9 criteria, including but not limited to the following:

10 (a) Historical and current expenditures on community benefits by the hospital and the hospital's
11 affiliated clinics.

12 (b) Community needs identified in the community needs assessment conducted by the hospital in
13 accordance with section 501(r)(3) of the Internal Revenue Code, and community health assessments
14 and community health improvement plans of coordinated care organizations that serve the same
15 geographic area served by the hospital and the hospital's affiliated clinics, in accordance with ORS
16 414.575 and 414.578.

17 (c) The hospital's need to expand the health care workforce.

18 (d) The overall financial position of the hospital and the hospital's affiliated clinics based on
19 audited financial statements and other objective data.

20 (e) The demographics of the population in the areas served by the hospital and the hospital's
21 affiliated clinics.

22 (f) The spending on the social determinants of health by the hospital or the hospital's affiliated
23 clinics.

24 (g) Taxes paid by the hospital and the hospital's payments, in lieu of taxes, paid to:

25 (A) A local government;

26 (B) The state; or

27 (C) The United States government.

28 (h) Criteria governing the manner in which the [authority] **department** will consider input re-
29 ceived from the general public under subsection (2)(c) of this section.

30 (i) The hospital's obligations and commitments, as reported to the Internal Revenue Service, to:

31 (A) Fund, support or provide health professions education; and

32 (B) Fund health research.

33 (j) For the Oregon Health and Science University hospital, its obligation to carry out the public
34 purposes and missions specified in ORS 353.030.

35 (2) In establishing the community benefit spending floors under subsection (1) of this section, the
36 [authority] **department** shall:

37 (a) Consult with representatives of hospitals;

38 (b) Provide an opportunity for hospitals and hospital-affiliated clinics to respond to any findings;

39 (c) Solicit and consider comments from the general public; and

40 (d) Consult with or solicit advice from one or more individuals with expertise in the economics
41 of health care.

42 (3) The [authority] **department** shall adopt by rule alternative methodologies for hospitals and
43 hospital-affiliated clinics to report data and to apply the community benefit spending floors, includ-
44 ing but not limited to:

45 (a) By each individual hospital and all of the hospital's nonprofit affiliated clinics;

1 (b) By a hospital and a group of the hospital's nonprofit affiliated clinics; and

2 (c) By all hospitals that are under common ownership and control and all of the hospitals'
3 nonprofit affiliated clinics.

4 (4) Each hospital shall be provided the opportunity to select the applicable methodology from
5 those adopted by the [authority] **department** by rule under subsection (3) of this section.

6 (5) The [authority] **department** may adopt rules necessary to carry out the provisions of this
7 section.

8 **SECTION 1094.** ORS 442.700 is amended to read:

9 442.700. As used in ORS 442.700 to 442.760:

10 (1) "Board of governors" means the governors of a cooperative program as described in ORS
11 442.720.

12 (2) "Cooperative program" means a program among two or more health care providers for the
13 purpose of providing heart and kidney transplant services including, but not limited to, the sharing,
14 allocation and referral of physicians, patients, personnel, instructional programs, support services,
15 facilities, medical, diagnostic, laboratory or therapeutic services, equipment, devices or supplies, and
16 other services traditionally offered by health care providers.

17 (3) "Health care provider" means a hospital, physician or entity, a significant part of whose
18 activities consist of providing hospital or physician services in this state. For purposes of the im-
19 munities provided by ORS 442.700 to 442.760 and 646.740, "health care provider" includes any offi-
20 cer, director, trustee, employee, or agent of, or any entity under common ownership and control
21 with, a health care provider.

22 (4) "Hospital" means a hospital, a long term care facility or an ambulatory surgical center, as
23 those terms are defined in ORS 442.015, that is licensed under ORS 441.015 to 441.087. "Hospital"
24 includes community health programs established under ORS 430.610 to 430.695.

25 (5) "Order" means a decision issued by the Director of the Oregon [Health Authority] **Depart-**
26 **ment of Health** under ORS 442.710 either approving or denying an application for a cooperative
27 program and includes modifications of an original order under ORS 442.730 (3)(b) and ORS 442.740
28 (1) and (4).

29 (6) "Party to a cooperative program agreement" or "party" means an entity that enters into the
30 principal agreement to establish a cooperative program and applies for approval under ORS 442.700
31 to 442.760 and 646.740 and any other entity that, with the approval of the director, becomes a
32 member of a cooperative program.

33 (7) "Physician" means a physician licensed under ORS chapter 677.

34 **SECTION 1095.** ORS 442.705 is amended to read:

35 442.705. (1) The Legislative Assembly finds that direct competition among health care providers
36 in the field of heart and kidney transplant services may not result in the most cost efficient and
37 least expensive transplant services for the citizens of this state and that it is in the public interest
38 to allow cooperative programs among health care providers providing heart and kidney transplant
39 services.

40 (2) The Legislative Assembly declares that, to the extent provided in ORS 442.700 to 442.760, it
41 is the policy and intent of this state to displace competition among health care providers providing
42 heart and kidney transplant services by allowing health care providers to enter into cooperative
43 programs governing the provision of heart and kidney transplant services in order to achieve in
44 each instance the following goals:

45 (a) Reduction of, or protection against, rising costs of heart and kidney transplant services;

- 1 (b) Reduction of, or protection against, rising prices for heart and kidney transplant services;
- 2 (c) Improvement or maintenance of the quality of heart and kidney transplant services provided
- 3 in this state;
- 4 (d) Reduction of, or protection against, duplication of resources including, without limitation,
- 5 expensive medical specialists, medical equipment and sites of service;
- 6 (e) Improvement or maintenance of efficiency in the delivery of heart and kidney transplant
- 7 services;
- 8 (f) Improvement or maintenance of public access to heart and kidney transplant services;
- 9 (g) Increase in donations of organs for transplantation; and
- 10 (h) Improvement in the continuity of patient care.

11 (3) The Legislative Assembly further declares that the goals identified in subsection (2) of this
 12 section represent the policies of this state.

13 (4) The Legislative Assembly further declares that once a cooperative program is approved un-
 14 der ORS 442.700 to 442.760, there is an interest in insuring stability in the provision of health care
 15 services by a cooperative program, to the extent stability is consistent with achieving the goals
 16 identified in subsection (2) of this section.

17 (5) The Director of the Oregon [*Health Authority*] **Department of Health** shall actively super-
 18 vise the cooperative program in accordance with authority **granted** under ORS 442.700 to 442.760
 19 and 646.740.

20 **SECTION 1096.** ORS 442.710 is amended to read:

21 442.710. (1) The Oregon Health and Science University and one or more entities, each of which
 22 operates at least three hospitals in a single urban area in this state, may apply to the Director of
 23 the Oregon [*Health Authority*] **Department of Health** for approval of a cooperative program. The
 24 application shall include an executed written copy of all agreements for the cooperative program.

25 (2) An application for approval of a cooperative program shall be made in the form and manner
 26 and shall set forth any information regarding the proposed cooperative program that the director
 27 may prescribe. The information shall include, but not be limited to:

28 (a) A list of the names of all health care providers who propose to provide heart and kidney
 29 transplant services under the cooperative program, together with appropriate evidence of compli-
 30 ance with any licensing or certification requirements for those health care providers to practice in
 31 this state. In the case of employed physicians, the list and the information to be submitted may be
 32 limited to the employer or organizational unit of the employer;

33 (b) A description of the activities to be conducted by the cooperative program;

34 (c) A description of proposed anticompetitive practices listed in ORS 442.715, any practices that
 35 the parties anticipate will have significant anticompetitive effects and a description of practices of
 36 the cooperative program affecting costs, prices, personnel positions, capital expenditures and allo-
 37 cation of resources;

38 (d) A list of the goals identified in ORS 442.705 (2) that the cooperative program expects to
 39 achieve;

40 (e) A description of the proposed places and manner of providing heart and kidney transplant
 41 services and services related to heart and kidney transplants under the cooperative program;

42 (f) A proposed budget for operating the cooperative program;

43 (g) Satisfactory evidence of financial ability to deliver heart and kidney transplant services in
 44 accordance with the cooperative program;

45 (h) The agreement that establishes the cooperative program and policies that shall govern it;

1 and

2 (i) Other information the director believes will assist in determining whether the cooperative
3 program will likely achieve the goals listed in ORS 442.705 (2).

4 (3) The director shall review the application in accordance with the provisions of this section
5 and shall grant, deny or request modification of the application within 90 days of the date the ap-
6 plication is filed. The director shall hold one or more public hearings on the application, which shall
7 conclude no later than 80 days after the date the application is filed. The decision of the director
8 on an application shall be considered an order in a contested case for the purposes of ORS chapter
9 183.

10 (4) The director shall approve an application made under subsection (2) of this section after:

11 (a) The applicants have demonstrated they will achieve at least six of the goals of ORS 442.700
12 to 442.760 and 646.740, including at least the goals identified in ORS 442.705 (2)(a) to (d); and

13 (b) The director has reviewed and approved the specifics of the anticompetitive activity expected
14 to be conducted by the cooperative program.

15 (5) In evaluating the application, the director shall consider whether a cooperative program will
16 contribute to or detract from achieving the goals listed in ORS 442.705 (2). The director may weigh
17 goals relating to circumstances that are likely to occur without the cooperative program, and re-
18 lating to existing circumstances. The director may also consider whether any alternative arrange-
19 ments would be less restrictive of competition while achieving the same goals.

20 (6) An order approving a cooperative program shall identify and define the limits of the per-
21 mitted activities for purposes of granting antitrust immunity under ORS 442.700 to 442.760.

22 (7) An order approving a cooperative program shall include:

23 (a) Approval of specific activities listed in ORS 442.715;

24 (b) Approval of activities the director anticipates will have substantial anticompetitive effects;

25 (c) Approval of the proposed budget of the cooperative program;

26 (d) The goals listed in ORS 442.705 (2) that the cooperative program is expected to achieve; and

27 (e) Approval of the cooperative program as described in the application and a finding that the
28 cooperative program is in the public interest.

29 (8) An order denying the application for a cooperative program shall identify the findings of fact
30 and reasons supporting denial.

31 (9) Either the director or all the parties to the cooperative program may request a modification
32 of an application made under this section. A request for a modification shall result in one extension
33 of 30 days after submission of the modified application. The director shall issue an order under this
34 section within 30 days after submission of the modified application.

35 **SECTION 1097.** ORS 442.720 is amended to read:

36 442.720. (1) If the Director of the Oregon [*Health Authority*] **Department of Health** issues an
37 order approving an application for a cooperative program under ORS 442.710, the director shall es-
38 tablish a board of governors to govern the cooperative program. The board of governors shall not
39 constitute, for any purpose, a governmental agency.

40 (2) The board of governors shall consist of the president or other chief executive officer of each
41 health care provider that is a party to the cooperative program agreement and the director or a
42 designee of the director. The designee shall serve at the pleasure of the director. The designee shall
43 not have any economic or other interest in any of the health care providers associated with the
44 cooperative program.

45 (3) In governing the cooperative program, the board of governors shall develop policy and ap-

1 prove budgets for the implementation of the cooperative program.

2 (4) The director or designee of the director may reject any operating or capital budget of the
 3 cooperative program upon a finding by the director that the budget is not consistent with the goals
 4 listed in ORS 442.705 (2) that the cooperative program is expected to achieve.

5 **SECTION 1098.** ORS 442.725 is amended to read:

6 442.725. Not later than 60 days following each anniversary date of the approval of a cooperative
 7 program by the Director of the Oregon [*Health Authority*] **Department of Health**, the board of
 8 governors of the cooperative program shall deliver an annual report to the director. The report shall
 9 specifically describe:

10 (1) How heart and kidney transplant services and related services of the cooperative program
 11 are being provided in accordance with the order;

12 (2) Which of the goals identified in the order are being achieved and to what extent; and

13 (3) Any substantial changes in the cooperative program.

14 **SECTION 1099.** ORS 442.730 is amended to read:

15 442.730. (1) The Director of the Oregon [*Health Authority*] **Department of Health** shall review
 16 and evaluate the annual report delivered under ORS 442.725. The director shall:

17 (a) Determine the extent to which the cooperative program is achieving the goals identified in
 18 the order;

19 (b) Review the activities being conducted to achieve the goals; and

20 (c) Determine whether each of the activities is still necessary and appropriate to achieve the
 21 goals.

22 (2) If the director determines that additional information is needed for the review described in
 23 subsection (1) of this section, the director may order the board of governors to provide the infor-
 24 mation within a specified time.

25 (3) Within 60 days after receiving the annual report or any additional information ordered under
 26 subsection (2) of this section, the director shall:

27 (a) Approve the report if the director determines that the cooperative program is operating in
 28 accordance with the order and that the goals identified in the order are being adequately achieved
 29 by the cooperative program;

30 (b) Modify the order as appropriate to adjust to changes in the cooperative program approved
 31 by the director and approve the report as provided in paragraph (a) of this subsection;

32 (c) Order the board of governors to make remedial changes in anticompetitive activities not in
 33 compliance with the order and request the board of governors to report on progress not later than
 34 a deadline specified by the director;

35 (d) Revoke approval of the cooperative program; or

36 (e) Take any of the actions set forth in ORS 442.740.

37 **SECTION 1100.** ORS 442.735 is amended to read:

38 442.735. (1) Any person may file a complaint with the Director of the Oregon [*Health*
 39 *Authority*] **Department of Health** requesting that a specific decision or action of a cooperative
 40 program supervised by the director be reversed or modified, or that approval for all or part of the
 41 activities permitted by the order be suspended or terminated. The complaint shall allege the reasons
 42 for the requested action and shall include any evidence relating to the complaint.

43 (2) The director on the director's own initiative may at any time request information from the
 44 board of governors concerning the activities of the cooperative program to determine whether the
 45 cooperative program is in compliance with the order.

SECTION 1101. ORS 442.740 is amended to read:

442.740. (1) During the review of the annual report described in ORS 442.730, after receiving a complaint under ORS 442.735, or on the director's own initiative, the Director of the Oregon [*Health Authority*] **Department of Health** may take one or more of the following actions:

(a) If the director determines that a particular decision or action is not in accordance with the order, or that the parties are engaging in anticompetitive activity not permitted by the order, the director may direct the board of governors to identify and implement corrective action to insure compliance with the order or may modify the order.

(b) If the director determines that the cooperative program is engaging in unlawful activity not permitted by the order or is not complying with the directive given under paragraph (a) of this subsection, the director may serve on the cooperative program a proposed order directing the cooperative program to:

- (A) Conform with the directive under paragraph (a) of this subsection; or
- (B) Cease and desist from engaging in the activity.

(2) The cooperative program shall have up to 30 days to comply with a proposed order under subsection (1)(b) of this section unless the board of governors demonstrates additional time is needed for compliance.

(3) If the director determines that the participants in the cooperative program are in substantial noncompliance with the cease and desist directive, the director may seek an appropriate injunction in the circuit courts of Marion or Multnomah Counties.

(4) If the director determines that a sufficient number of the goals set forth in ORS 442.705 (2) are not being achieved or that the cooperative program is engaging in activity not permitted by the order, the director may suspend or terminate approval for all or part of the activities approved and permitted by the order.

(5) A proposed order to be entered under subsection (1)(b) or (4) of this section may be served upon the cooperative program without prior notice. The cooperative program may contest the proposed order by filing a written request for a contested case hearing with the director not later than 20 days following the date of the proposed order. The proposed order shall become final if no request for a hearing is received. Unless inconsistent with this subsection, the provisions of ORS chapter 183, as applicable, shall govern the hearing procedure and any judicial review.

(6) The only effect of an order suspending or terminating approval under ORS 442.700 to 442.760 shall be to withdraw the immunities granted under ORS 442.715 (3) for anticompetitive activity permitted by the order and taken after the effective date of the order.

SECTION 1102. ORS 442.745 is amended to read:

442.745. If parties to a cooperative program agreement provide the Director of the Oregon [*Health Authority*] **Department of Health** with written or oral information that is confidential or otherwise protected from disclosure under Oregon law, the disclosures shall not be considered a waiver of any right to protect the information from disclosure in other proceedings.

SECTION 1103. ORS 442.750 is amended to read:

442.750. (1) Notwithstanding the provisions of ORS 646.705 to 646.836:

(a) A cooperative program for which approval has been granted under ORS 442.700 to 442.760 and 646.740 is a lawful program to the extent it engages in activities permitted by the order and supervised by the Director of the Oregon [*Health Authority*] **Department of Health** and is in compliance with the order; and

(b) If the parties to a cooperative program apply to the director as provided in ORS 442.710, the

1 conduct of the parties and all other participants in negotiating or entering into a cooperative pro-
 2 gram is lawful conduct.

3 (2) Subsection (1)(b) of this section does not apply to persons negotiating a cooperative program
 4 if it can be demonstrated, by a preponderance of the evidence, that the persons do not or did not
 5 intend to enter into a cooperative agreement.

6 (3) Nothing in ORS 442.700 to 442.760 and 646.740 shall be construed to immunize any person
 7 from liability or impose liability where none would otherwise exist under federal or state antitrust
 8 laws for conduct in negotiating and entering into a cooperative program for which no application
 9 was filed with the director.

10 **SECTION 1104.** ORS 442.755 is amended to read:

11 442.755. (1) The Director of the Oregon [*Health Authority*] **Department of Health** shall adopt
 12 rules as may be necessary to carry out the provisions of ORS 442.700 to 442.760.

13 (2) The costs of program approval and supervision shall be paid by the parties to a cooperative
 14 program agreement and the director shall set fees for application, annual review and supervision
 15 as necessary to fund the director’s supervision of the program.

16 **SECTION 1105.** ORS 442.760 is amended to read:

17 442.760. Notwithstanding the provisions of ORS 183.310 (7) and 183.480, only a party to a coop-
 18 erative program agreement or the Director of the Oregon [*Health Authority*] **Department of Health**
 19 shall be entitled to a contested case hearing or judicial review of an order issued pursuant to ORS
 20 442.700 to 442.760 and 646.740.

21 **SECTION 1106.** ORS 442.855 is amended to read:

22 442.855. (1) There is established in the Oregon [*Health Authority*] **Department of Health** the
 23 Oregon Health Care Acquired Infection Reporting Program. The program shall:

24 (a) Provide useful and credible infection measures, specific to each health care facility, to con-
 25 sumers;

26 (b) Promote quality improvement in health care facilities; and

27 (c) Utilize existing quality improvement efforts to the extent practicable.

28 (2) The [*authority*] **department** shall adopt rules to:

29 (a) Require health care facilities to report to the [*authority*] **department** health care acquired
 30 infection measures, including health care acquired infection rates;

31 (b) Specify the health care acquired infection measures that health care facilities must report;
 32 and

33 (c) Prescribe the form, manner and frequency of reports of health care acquired infection
 34 measures by health care facilities.

35 (3) In prescribing the form, manner and frequency of reports of health care acquired infection
 36 measures by health care facilities, to the extent practicable and appropriate to avoid unnecessary
 37 duplication of reporting by facilities, the [*authority*] **department** shall align the requirements with
 38 the requirements for health care facilities to report similar data to the Department of Human Ser-
 39 vices and to the Centers for Medicare and Medicaid Services.

40 (4) The [*authority*] **Oregon Department of Health** shall utilize, to the extent practicable and
 41 appropriate, a credible and reliable risk-adjusted methodology in analyzing the health care acquired
 42 infection measures reported by health care facilities.

43 (5) The [*authority*] **Oregon Department of Health** shall provide health care acquired infection
 44 measures and related information to health care facilities in a manner that promotes quality im-
 45 provement in the health care facilities.

1 (6) The [authority] **Oregon Department of Health** may adopt rules prescribing the form, man-
2 ner and frequency for public disclosure of reported health care acquired infection measures.

3 (7) Individually identifiable health information submitted to the [authority] **Oregon Department**
4 **of Health** by health care facilities pursuant to this section may not be disclosed to, made subject
5 to subpoena by or used by any state agency for purposes of any enforcement or regulatory action
6 in relation to a participating health care facility.

7 **SECTION 1107.** ORS 442.856 is amended to read:

8 442.856. (1) There is established the Health Care Acquired Infection Advisory Committee to ad-
9 vise the Director of the Oregon [Health Authority] **Department of Health** regarding the Oregon
10 Health Care Acquired Infection Reporting Program. The advisory committee shall consist of 16
11 members appointed by the director as follows:

12 (a) Seven of the members shall be health care providers or their designees, including:

13 (A) A hospital administrator who has expertise in infection control and who represents a hos-
14 pital that contains fewer than 100 beds;

15 (B) A hospital administrator who has expertise in infection control and who represents a hos-
16 pital that contains 100 or more beds;

17 (C) A long term care administrator;

18 (D) A hospital quality director;

19 (E) A physician with expertise in infectious disease;

20 (F) A registered nurse with interest and involvement in infection control; and

21 (G) A physician who practices in an ambulatory surgical center and who has interest and in-
22 volvement in infection control.

23 (b) Nine of the members shall be individuals who do not represent health care providers, in-
24 cluding:

25 (A) A consumer representative;

26 (B) A labor representative;

27 (C) An academic researcher;

28 (D) A health care purchasing representative;

29 (E) A representative of the Department of Human Services;

30 (F) A representative of the business community;

31 (G) A representative of the Oregon Patient Safety Commission who does not represent a health
32 care provider on the commission;

33 (H) A health insurer representative; and

34 (I) The State Health Officer or the State Health Officer's designee.

35 (2) The Director of the Oregon [Health Authority] **Department of Health** and the advisory
36 committee shall evaluate on a regular basis the quality and accuracy of the data collected and re-
37 ported by health care facilities under ORS 442.855 and the methodologies of the Oregon [Health
38 Authority] **Department of Health** for data collection, analysis and public disclosure.

39 (3) Members of the advisory committee are not entitled to compensation and shall serve as vol-
40 unteers on the advisory committee.

41 (4) Each member of the advisory committee shall serve a term of two years.

42 (5) The advisory committee shall make recommendations to the director regarding:

43 (a) The health care acquired infection measures that health care facilities must report, which
44 may include but are not limited to:

45 (A) Surgical site infections;

1 (B) Central line related bloodstream infections;

2 (C) Urinary tract infections; and

3 (D) Health care facility process measures designed to ensure quality and to reduce health care
4 acquired infections;

5 (b) Methods for evaluating and quantifying health care acquired infection measures that align
6 with other data collection and reporting methodologies of health care facilities and that support
7 participation in other quality interventions;

8 (c) Requiring different reportable health care acquired infection measures for differently situated
9 health care facilities as appropriate;

10 (d) A method to ensure that infections present upon admission to the health care facility are
11 excluded from the rates of health care acquired infection disclosed to the public for the health care
12 facility under ORS 442.855;

13 (e) Establishing a process for evaluating the health care acquired infection measures reported
14 under ORS 442.855 and for modifying the reporting requirements over time as appropriate; and

15 (f) Procedures to protect the confidentiality of patients, health care professionals and health
16 care facility employees.

17 **SECTION 1108.** ORS 442.991 is amended to read:

18 442.991. (1) Any reporting entity that fails to report as required by rules of the Oregon [*Health*
19 *Authority*] **Department of Health** adopted pursuant to ORS 442.362 may be subject to a civil pen-
20 alty.

21 (2) The [*authority*] **department** shall adopt a schedule of penalties, not to exceed \$500 per day
22 of violation, that are based on the severity of the violation.

23 (3) Civil penalties imposed under this section shall be imposed as provided in ORS 183.745.

24 (4) Civil penalties imposed under this section may be remitted or mitigated upon such terms and
25 conditions as the [*authority*] **department** considers proper and consistent with the public health and
26 safety.

27 (5) Civil penalties incurred under any law of this state are not allowable as costs for the purpose
28 of rate determination or for reimbursement by a third-party payer.

29 **SECTION 1109.** ORS 442.993 is amended to read:

30 442.993. (1) The Oregon [*Health Authority*] **Department of Health** shall adopt a schedule of civil
31 penalties not to exceed \$500 per day of violation, determined by the severity of the violation, for:

32 (a) Any reporting entity that fails to report as required by ORS 442.373 or rules adopted by the
33 [*authority*] **department**.

34 (b) Any provider or payer that fails to report cost growth data or to develop and implement a
35 performance improvement plan if required by ORS 442.386 or rules adopted by the [*authority*] **de-**
36 **partment**.

37 (2) Civil penalties under this section shall be imposed as provided in ORS 183.745.

38 (3) Civil penalties imposed under this section may be remitted or mitigated upon such terms and
39 conditions as the [*authority*] **department** considers proper and consistent with the public health and
40 safety.

41 (4) Civil penalties incurred under any law of this state are not allowable as costs for the purpose
42 of rate determination or for reimbursement by a third-party payer.

43 (5) Moneys collected from providers and payers described in subsection (1)(b) of this section
44 shall be deposited in the Oregon [*Health Authority*] **Department of Health** Fund established by ORS
45 413.101 and used by the [*authority*] **department** to support programs that expand access to health

1 care and that support populations adversely affected by high health care costs.

2 **SECTION 1110.** ORS 442.994 is amended to read:

3 442.994. (1) Any health care facility that fails to perform as required in ORS 442.602 and 442.400
4 to 442.463 or 442.855, and rules of the Oregon [*Health Authority*] **Department of Health** may be
5 subject to a civil penalty.

6 (2) The Oregon [*Health Authority*] **Department of Health** shall adopt a schedule of penalties
7 not to exceed \$500 per day of violation, determined by the severity of the violation.

8 (3) Civil penalties under this section shall be imposed as provided in ORS 183.745.

9 (4) Civil penalties imposed under this section may be remitted or mitigated upon such terms and
10 conditions as the [*authority*] **department** considers proper and consistent with the public health and
11 safety.

12 (5) Civil penalties incurred under any law of this state are not allowable as costs for the purpose
13 of rate determination or for reimbursement by a third-party payer.

14 **SECTION 1111.** ORS 443.001 is amended to read:

15 443.001. The Quality Care Fund is established in the State Treasury, separate and distinct from
16 the General Fund. Interest earned by the Quality Care Fund shall be credited to the Quality Care
17 Fund. Moneys in the fund are continuously appropriated to the Department of Human Services and
18 the Oregon [*Health Authority*] **Department of Health** for:

19 (1) Training, technical assistance, quality improvement initiatives and licensing activities to
20 ensure that high standards for quality of care are met in accordance with rules adopted with respect
21 to:

22 (a) A long term care facility as defined in ORS 442.015;

23 (b) A residential facility as defined in ORS 443.400, including but not limited to an assisted living
24 facility; and

25 (c) An adult foster home as defined in ORS 443.705; and

26 (2) Administering the Senior Emergency Medical Services Innovation Program established in
27 section 1, chapter 616, Oregon Laws 2021.

28 **SECTION 1112.** ORS 443.001, as amended by section 4, chapter 616, Oregon Laws 2021, is
29 amended to read:

30 443.001. The Quality Care Fund is established in the State Treasury, separate and distinct from
31 the General Fund. Interest earned by the Quality Care Fund shall be credited to the Quality Care
32 Fund. Moneys in the fund are continuously appropriated to the Department of Human Services and
33 the Oregon [*Health Authority*] **Department of Health** for training, technical assistance, quality im-
34 provement initiatives and licensing activities to ensure that high standards for quality of care are
35 met in accordance with rules adopted with respect to:

36 (1) A long term care facility as defined in ORS 442.015;

37 (2) A residential facility as defined in ORS 443.400, including but not limited to an assisted living
38 facility; and

39 (3) An adult foster home as defined in ORS 443.705.

40 **SECTION 1113.** ORS 443.002 is amended to read:

41 443.002. (1) As used in this section:

42 (a) "Facility" means:

43 (A) A residential training facility as defined in ORS 443.400;

44 (B) A residential training home as defined in ORS 443.400;

45 (C) A residential treatment facility as defined in ORS 443.400;

1 (D) A residential treatment home as defined in ORS 443.400; or

2 (E) An adult foster home as defined in ORS 443.705.

3 (b) "Provider" means a person licensed or a person applying for a license to operate a facility.

4 (2) The Department of Human Services or the Oregon [*Health Authority*] **Department of Health**
5 may deny, suspend, revoke or refuse to renew a license of a provider if the [*department or*
6 *authority*] **Department of Human Services or the Oregon Department of Health** finds that the
7 provider operates a separate facility that is not or has not been in substantial compliance with rules
8 adopted under ORS 443.400 to 443.455 or 443.705 to 443.825.

9 **SECTION 1114.** ORS 443.004 is amended to read:

10 443.004. (1)(a) The Department of Human Services or the Oregon [*Health Authority*] **Department**
11 **of Health** shall complete a criminal records check under ORS 181A.195 on:

12 (A) An employee of a residential facility or an adult foster home;

13 (B) Any individual who is paid directly or indirectly with public funds who has or will have
14 contact with a recipient of support services or a resident of an adult foster home or a residential
15 facility; and

16 (C) A home care worker or personal support worker registering with the Home Care Commission
17 or renewing a registration with the Home Care Commission.

18 (b) The [*department or the authority*] **Department of Human Services or the Oregon De-**
19 **partment of Health** shall complete the criminal records check under paragraph (a) of this sub-
20 section not more than once during an 18-month period unless the [*department or the authority*]
21 **Department of Human Services or the Oregon Department of Health:**

22 (A) Receives credible evidence of a new criminal conviction;

23 (B) Receives credible evidence to substantiate a complaint of abuse or neglect;

24 (C) Is required by federal law to conduct more frequent criminal records checks;

25 (D) Is notified that a subject individual has changed positions or duties for which there are
26 different criminal records check requirements; or

27 (E) Determines, under criteria set forth in rules adopted by the [*department or the authority*]
28 **Department of Human Services or the Oregon Department of Health**, that it would be bur-
29 densome for a subject individual to wait for a new criminal records check.

30 (2)(a) A home health agency shall conduct a criminal background check before hiring or con-
31 tracting with an individual and before allowing an individual to volunteer to provide services on
32 behalf of the home health agency, if the individual will have direct contact with a patient of the
33 home health agency.

34 (b) An in-home care agency shall conduct a criminal background check before hiring or con-
35 tracting with an individual and before allowing an individual to volunteer to provide services on
36 behalf of the in-home care agency, if the individual will have direct contact with a client of the in-
37 home care agency.

38 (c) The [*authority*] **Oregon Department of Health** shall prescribe by rule the process for con-
39 ducting a criminal background check.

40 (3) Public funds may not be used to support, in whole or in part, the employment in any capacity
41 having contact with a recipient of support services or a resident of a residential facility or an adult
42 foster home, of an individual, other than a mental health or substance abuse treatment provider,
43 who has been convicted:

44 (a) Of a crime described in ORS 163.095, 163.107, 163.115, 163.118, 163.125, 163.145, 163.149,
45 163.165, 163.175, 163.185, 163.187, 163.200, 163.205, 163.225, 163.235, 163.263, 163.264, 163.266, 163.275,

1 163.465, 163.467, 163.535, 163.537, 163.547, 163.689, 163.700, 163.701, 164.055, 164.057, 164.098, 164.125
 2 (5)(c) or (d), 164.215, 164.225, 164.325, 164.377 (2) or (3), 164.405, 164.415, 165.013, 165.022, 165.032,
 3 165.800, 165.803, 167.012, 167.017, 167.057, 167.320 or 167.322;

4 (b) Notwithstanding paragraph (a) of this subsection, of a crime described in ORS 163.465,
 5 163.467, 163.700, 163.701, 164.055, 164.125 or 164.377, the date of conviction for which was within the
 6 five years immediately preceding employment in any capacity of an individual, other than a mental
 7 health or substance abuse treatment provider, having contact with a recipient of support services,
 8 a resident of a residential facility or a resident of an adult foster home, when the recipient or resi-
 9 dent is 65 years of age or older;

10 (c) Of a crime listed in ORS 163A.005;

11 (d) In the last 10 years, of a crime involving the delivery or manufacture of a controlled sub-
 12 stance;

13 (e) Of an attempt, conspiracy or solicitation to commit a crime described in paragraphs (a) to
 14 (d) of this subsection; or

15 (f) Of a crime in another jurisdiction that is substantially equivalent, as defined by rule, to a
 16 crime described in paragraphs (a) to (e) of this subsection.

17 (4) If the criminal background check conducted by a home health agency or in-home care agency
 18 under subsection (2) of this section reveals that the individual who is subject to the criminal back-
 19 ground check has been convicted of any of the crimes described in subsection (3) of this section, the
 20 home health agency or in-home care agency may not employ the individual.

21 (5) Public funds may not be used to support, in whole or in part, the employment, in any ca-
 22 pacity having contact with a recipient of support services or a resident of a residential facility or
 23 an adult foster home, of a mental health or substance abuse treatment provider who has been con-
 24 victed of committing, or convicted of an attempt, conspiracy or solicitation to commit, a crime de-
 25 scribed in ORS 163.095, 163.107, 163.115, 163.375, 163.405, 163.411 or 163.427.

26 (6) Upon the request of a mental health or substance abuse treatment provider, the [*department*
 27 *or authority*] **Department of Human Services or the Oregon Department of Health** shall main-
 28 tain a record of the results of any fitness determination made under ORS 181A.195 (10). The [*de-*
 29 *partment or authority*] **Department of Human Services or the Oregon Department of Health**
 30 may disclose the record only to a person the provider specifically authorizes, by a written release,
 31 to receive the information.

32 (7) If the [*department or authority*] **Department of Human Services or the Oregon Depart-**
 33 **ment of Health** has a record of substantiated abuse committed by an employee or potential em-
 34 ployee of a home health agency, in-home care agency, adult foster home or residential facility,
 35 regardless of whether criminal charges were filed, the [*department or authority*] **Department of**
 36 **Human Services or the Oregon Department of Health** shall notify, in writing, the employer and
 37 the employee or potential employee and may conduct a fitness determination in accordance with this
 38 section and ORS 181A.195.

39 (8) As used in this section:

40 (a) "Adult foster home" has the meaning given that term in ORS 443.705.

41 (b) "Home care worker" has the meaning given that term in ORS 410.600.

42 (c) "Home health agency" has the meaning given that term in ORS 443.014.

43 (d) "In-home care agency" has the meaning given that term in ORS 443.305.

44 (e) "Mental health or substance abuse treatment provider" means:

45 (A) A peer support specialist;

1 (B) An employee of a residential treatment facility or a residential treatment home that is li-
 2 censed under ORS 443.415 to provide treatment for individuals with alcohol or drug dependence;

3 (C) An individual who provides treatment or services for persons with substance use disorders;
 4 or

5 (D) An individual who provides mental health treatment or services.

6 (f) “Peer support specialist” has the meaning given that term in ORS 414.025.

7 (g) “Personal support worker” has the meaning given that term in ORS 410.600.

8 (h) “Residential facility” has the meaning given that term in ORS 443.400.

9 **SECTION 1115.** ORS 443.008 is amended to read:

10 443.008. (1) As used in this section:

11 (a) “Direct care services” means services provided to clients of the Department of Human Ser-
 12 vices or the Oregon [*Health Authority*] **Department of Health** by:

13 (A) An adult foster home, as defined in ORS 443.705;

14 (B) A home care worker, as defined in ORS 410.600;

15 (C) A residential facility, as defined in ORS 443.400; or

16 (D) A service provider as defined in ORS 427.101.

17 (b) “Fitness determination” means the evaluation of whether a subject individual or other indi-
 18 vidual providing direct care services is fit to hold a position, provide direct care services or be
 19 granted a license, certification, registration or permit to provide direct care services.

20 (c) “Qualified entity” has the meaning given that term in ORS 181A.190.

21 (d) “Subject individual” means a person who is:

22 (A) Employed by or who seeks to be employed by the [*authority or the department*] **Oregon De-**
 23 **partment of Health or the Department of Human Services;**

24 (B) A volunteer or who seeks to be a volunteer to provide care on behalf of the [*authority or the*
 25 *department*] **Oregon Department of Health or the Department of Human Services;** or

26 (C) Providing care or who seeks to provide care on behalf of the [*authority or the department*]
 27 **Oregon Department of Health or the Department of Human Services.**

28 (2) The [*department and the authority*] **Oregon Department of Health and the Department**
 29 **of Human Services** shall prescribe by rule the criteria to be considered in making fitness deter-
 30 mination findings of abuse that are substantiated. The criteria must include the types of substanti-
 31 ated abuse for which a subject individual may be found to be unfit and conditions, if any, for the
 32 reinstatement of a subject individual who is found to be unfit.

33 (3) A subject individual who is found to be unfit is entitled to challenge the fitness determination
 34 in a contested case hearing conducted in accordance with ORS chapter 183. The subject individual
 35 may not challenge a finding of substantiated abuse or criminal conviction that was the basis for the
 36 fitness determination but may contest the weight accorded the evidence, mitigating factors or other
 37 aspects of the evaluation. The individual may be represented by an attorney or other person or, if
 38 the individual is a member of a bargaining unit, by the certified or recognized exclusive represen-
 39 tative for the bargaining unit.

40 (4) This section applies to fitness determinations for providers of direct care services conducted
 41 under ORS 181A.195 (10) or 443.004 (7).

42 **SECTION 1116.** ORS 443.011 is amended to read:

43 443.011. (1) The Oregon [*Health Authority*] **Department of Health** shall establish by rule train-
 44 ing requirements that must be met before an individual may be permitted to provide in-home care
 45 services, as defined in ORS 443.305. The training requirements must include a minimum number of

1 hours of orientation and assessment of competency. The minimum number of hours may be greater
2 for an individual who will be providing enhanced care and services, such as medication management.

3 (2) Except as provided in subsection (3) of this section, the training requirements apply to any
4 individual who is not licensed or certified to provide health care in this state and who provides in-
5 home care services as an employee or contractor of a licensed:

- 6 (a) In-home care agency as defined in ORS 443.305;
- 7 (b) Home health agency as defined in ORS 443.014; or
- 8 (c) Hospital as defined in ORS 442.015.

9 (3) The training requirements shall not apply to an individual providing personal care services
10 that are incidental to the provision of home health care or hospital services.

11 **SECTION 1117.** ORS 443.012 is amended to read:

12 443.012. (1) As used in this section and ORS 443.417:

- 13 (a) "Disease outbreak" has the meaning given that term in ORS 431A.005.
- 14 (b) "Facility" means:

- 15 (A) A long term care facility, as defined in ORS 442.015;
- 16 (B) A conversion facility, as defined in ORS 443.400; and

17 (C) A residential care facility, as defined in ORS 443.400, including a residential care facility
18 with a memory care endorsement.

19 (2) An administrator of a facility and the employees of the facility, as specified by the Depart-
20 ment of Human Services by rule, must receive training in recognizing disease outbreaks and in-
21 fection control at the time of hiring, unless the administrator or the employee has received the
22 training at another facility within the 24-month period prior to the time of hiring, and annually as
23 part of, and not in addition to, the administrator or employee's continuing education requirements.

24 (3) The department, in consultation with the Oregon [*Health Authority*] **Department of**
25 **Health**, shall prescribe by rule the requirements for the training, which must include at least the
26 following:

- 27 (a) How to properly prevent and contain disease outbreaks based on the current best evidence
28 in the field of infection and disease outbreak identification, prevention and control; and
- 29 (b) The responsibility of staff members to report disease outbreaks under ORS 433.004.

30 (4) The training may be provided in person, in writing, by webinar or by other electronic means.
31 The Department **of Human Services** shall make online trainings available.

32 (5)(a) A facility must establish and maintain infection prevention and control protocols designed
33 to provide a safe, sanitary and comfortable environment and to prevent the development and trans-
34 mission of communicable diseases.

35 (b) A facility must designate an individual to be responsible for carrying out the infection pre-
36 vention and control protocols and to serve as the primary point of contact for the Department **of**
37 **Human Services** regarding disease outbreaks. The individual must:

- 38 (A) Be qualified by education, training and experience or certification; and
- 39 (B) Complete specialized training in infection prevention and control protocols within three
40 months of being designated under this paragraph, unless the designee has received the specialized
41 training within the 24-month period prior to the time of the designation.

42 (6) Upon hiring a new staff member, a facility shall provide to the staff member information
43 about the rights and responsibility of facility staff members to report disease outbreaks under ORS
44 433.004 and the safeguards for staff members who report disease outbreaks.

45 (7) The Department **of Human Services**, in coordination with the [*authority*] **Oregon Depart-**

1 **ment of Health**, shall:

2 (a) Communicate regularly with facility administrators to recommend best practices and proto-
3 cols for preventing and responding to disease outbreaks and provide contacts for local public health
4 authorities; and

5 (b) Provide notification to the facilities in a community where there is an elevated risk of an
6 infectious disease outbreak and the residents and staff may be at risk of exposure to the disease
7 outbreak.

8 **SECTION 1118.** ORS 443.015 is amended to read:

9 443.015. A person may not establish a home health agency or organization providing home
10 health services for compensation, or purport to manage or operate a home health agency or organ-
11 ization, without first obtaining a license from the Oregon [*Health Authority*] **Department of**
12 **Health**. The license shall be renewable annually and is not transferable.

13 **SECTION 1119.** ORS 443.019 is amended to read:

14 443.019. (1) The Oregon [*Health Authority*] **Department of Health** shall conduct an in-person
15 site inspection of a home health agency and a caregiver registry prior to licensure and at least once
16 every three years thereafter.

17 (2) In lieu of an in-person site inspection, the [*authority*] **department** may accept a certification
18 or accreditation from a federal agency or an accrediting body approved by the [*authority*] **depart-**
19 **ment** that the state licensing standards have been met, if:

20 (a) The certification or accreditation is recognized by the [*authority*] **department** as addressing
21 the standards and conditions of participation requirements of the Centers for Medicare and
22 Medicaid Services and any additional standards set by the [*authority*] **department**;

23 (b) The agency or registry notifies the [*authority*] **department** to participate in any exit inter-
24 view conducted by the federal agency or accrediting body; and

25 (c) The agency or registry provides copies of all documentation concerning the certification or
26 accreditation requested by the [*authority*] **department**.

27 **SECTION 1120.** ORS 443.035 is amended to read:

28 443.035. (1) The Oregon [*Health Authority*] **Department of Health** may grant a license to a
29 home health agency or caregiver registry for a calendar year, may annually renew a license and
30 may allow for a change of ownership, upon payment of a fee as follows:

31 (a) \$4,000 for a new home health agency license.

32 (b) \$2,125 for a renewal of a home health agency license.

33 (c) \$1,250 for a change of ownership of a home health agency at a time other than the annual
34 renewal date.

35 (d)(A) \$1,500 for a new caregiver registry license; and

36 (B) \$750 for each subunit of a newly licensed caregiver registry.

37 (e)(A) \$750 for a renewal of a caregiver registry license; and

38 (B) \$750 for each subunit of a caregiver registry described in subparagraph (A) of this para-
39 graph.

40 (f)(A) \$350 for a change of ownership of a caregiver registry at a time other than the annual
41 renewal date; and

42 (B) \$350 for each subunit of a caregiver registry described in subparagraph (A) of this para-
43 graph.

44 (2) Notwithstanding subsection (1)(c) or (f) of this section, the fee for a change in ownership
45 shall be \$100 if a change in ownership does not involve:

1 (a) The majority owner or partner; or

2 (b) The administrator operating the agency or registry.

3 (3) All fees received pursuant to subsection (1) of this section shall be paid over to the State
4 Treasurer and credited to the Public Health Account. Such moneys are appropriated continuously
5 to the Oregon [*Health Authority*] **Department of Health** for the administration of ORS 443.014 to
6 443.105.

7 **SECTION 1121.** ORS 443.045 is amended to read:

8 443.045. (1) The Oregon [*Health Authority*] **Department of Health** may deny, suspend or revoke
9 the license of, or assess a civil penalty against, any individual, home health agency or caregiver
10 registry for failure to comply with ORS 443.004 or 443.014 to 443.105, or with the rules of the [*au-*
11 *thority*] **department** as authorized by ORS 443.085.

12 (2) License denials, suspensions and revocations, assessment of civil penalties, adoption of rules
13 and judicial review thereof shall be in accordance with ORS chapter 183.

14 (3) A civil penalty imposed under this section may not exceed \$1,000 per violation and may not
15 total more than \$2,000.

16 (4) All civil penalties recovered under this section shall be paid into the State Treasury and
17 credited to the Oregon [*Health Authority*] **Department of Health** Fund. Moneys credited to the fund
18 under this section are continuously appropriated to the [*authority*] **department** for the adminis-
19 tration of ORS 443.014 to 443.105 and 443.305 to 443.350.

20 **SECTION 1122.** ORS 443.055 is amended to read:

21 443.055. A home health agency shall have an organized governing body, or, if a subdivision of
22 a public or private agency or a multifunction organization, a clearly defined local body having re-
23 sponsibility for the conduct of the home health agency. Where the governing body is functionally
24 remote from the operation of the home health agency, the Oregon [*Health Authority*] **Department**
25 **of Health** may approve the designation of an appropriate part of the organization as the governing
26 body.

27 **SECTION 1123.** ORS 443.065 is amended to read:

28 443.065. A home health agency licensed in this state shall:

29 (1) Be primarily engaged in providing skilled nursing services and at least one other service
30 delineated in ORS 443.075 (1)(b) and (c);

31 (2) Have policies established by professional personnel associated with the agency or organiza-
32 tion, including one or more physicians or naturopathic physicians and one or more registered nurses,
33 at least two of whom are neither owners nor employees of the agency, and two consumers, to govern
34 the services that it provides;

35 (3) Require supervision of services that it provides under subsection (1) of this section by a
36 physician, physician assistant, nurse practitioner, naturopathic physician or registered nurse, pref-
37 erably a public health nurse;

38 (4) Ensure that in-home care services, as defined in ORS 443.305, that it provides in addition to
39 skilled nursing services are provided by individuals who meet the training requirements established
40 by the Oregon [*Health Authority*] **Department of Health** under ORS 443.011, if applicable;

41 (5) Maintain clinical and financial records on all patients; and

42 (6) Have an overall plan and budget in effect.

43 **SECTION 1124.** ORS 443.075 is amended to read:

44 443.075. (1) A home health agency must have an order for treatment, plan of treatment or plan
45 of care from a physician, naturopathic physician licensed under ORS chapter 685, physician assistant

1 licensed under ORS 677.505 to 677.525 or nurse practitioner licensed under ORS 678.375 to 678.390
2 for the following services and supplies:

3 (a) Home nursing care provided by or under the supervision of a registered nurse;

4 (b) Physical, occupational or speech therapy, medical social services or other therapeutic ser-
5 vices;

6 (c) Home health aide services; and

7 (d) Medical supplies, other than drugs and biologicals, and the use of medical appliances.

8 (2) A home health agency shall have each plan of treatment or plan of care reviewed by the
9 physician, naturopathic physician, physician assistant or nurse practitioner periodically, in accord-
10 ance with rules adopted by the Oregon [*Health Authority*] **Department of Health**.

11 **SECTION 1125.** ORS 443.085 is amended to read:

12 443.085. The Oregon [*Health Authority*] **Department of Health** shall adopt rules to implement
13 ORS 443.014 to 443.105 including, but not limited to:

14 (1) The qualifications of professional and ancillary personnel in order to adequately furnish
15 home health services;

16 (2) Standards for the organization and quality of client care;

17 (3) Procedures for maintaining records;

18 (4) Provision for contractual arrangements for professional and ancillary health services; and

19 (5) Complaint and inspection procedures.

20 **SECTION 1126.** ORS 443.100 is amended to read:

21 443.100. A person may not establish, conduct or maintain a caregiver registry, or represent to
22 the public that the person is a caregiver registry, without first obtaining a caregiver registry license
23 from the Oregon [*Health Authority*] **Department of Health**.

24 **SECTION 1127.** ORS 443.105 is amended to read:

25 443.105. The Oregon [*Health Authority*] **Department of Health** may adopt rules governing
26 caregiver registries, including but not limited to:

27 (1) The minimum qualifications of individuals whose services are offered through a caregiver
28 registry;

29 (2) Standards for the organization and quality of client care;

30 (3) Procedures for maintaining records;

31 (4) Requirements for contractual arrangements for professional and ancillary services;

32 (5) Requiring criminal background checks on individuals placed on a roster by a caregiver reg-
33 istry;

34 (6) Procedures for complaints against caregiver registries; and

35 (7) Procedures for inspection of caregiver registries.

36 **SECTION 1128.** ORS 443.205 is amended to read:

37 443.205. As used in ORS 443.215 and 443.225, "domiciliary care facilities" means facilities pro-
38 viding residential care to adults, including adult foster homes, group care facilities or residential
39 treatment, training or care facilities, established, contracted for or operated by the Department of
40 Human Services or the Oregon [*Health Authority*] **Department of Health**.

41 **SECTION 1129.** ORS 443.225 is amended to read:

42 443.225. (1) Except as otherwise provided by subsections (3) and (4) of this section, the capacity
43 of all domiciliary care facilities must be located throughout the state based on the relationship of
44 the population of the county in which the additional capacity is proposed to be located to the
45 number of persons originating from the county who are determined to be in need of domiciliary care.

1 However, nothing in this subsection is intended to prevent the placement of a person who is or was
2 not a resident of the county in a domiciliary care facility in the county.

3 (2) The Department of Human Services shall determine the number of persons originating from
4 a county who are in need of domiciliary care if the domiciliary care facility is an adult foster home
5 as defined in ORS 443.705, a residential care facility or residential training facility as those terms
6 are defined in ORS 443.400 or other group care facility.

7 (3) The Oregon [*Health Authority*] **Department of Health** shall determine the number of persons
8 originating from a county who are in need of domiciliary care if the domiciliary care facility is a
9 residential treatment facility as defined in ORS 443.400.

10 (4) When a county is too sparsely populated to produce a meaningful ratio of county population
11 to population in need, or a county is lacking necessary support services, the population of two or
12 more counties may be combined. The area of the combined counties may be considered a county for
13 purposes of subsection (1) of this section.

14 (5) The computation required by subsection (1) of this section does not require reduction in any
15 domiciliary care facility capacity existing on October 4, 1977.

16 (6) Subject to the appropriate licensing requirements, the governing body of a county may au-
17 thorize a domiciliary care facility located in the county to exceed the capacity limit imposed by
18 subsection (1) of this section upon:

19 (a) Request of an individual or organization operating or proposing to operate a domiciliary care
20 facility;

21 (b) Consultation with an advisory committee appointed by the governing body and consisting of
22 persons who are particularly interested in the type of domiciliary care facility contemplated; and

23 (c) Finding of good cause following notice and public hearing.

24 **SECTION 1130.** ORS 443.315 is amended to read:

25 443.315. (1) A person may not establish, manage or operate an in-home care agency or purport
26 to manage or operate an in-home care agency without obtaining a license from the Oregon [*Health*
27 *Authority*] **Department of Health**.

28 (2) The [*authority*] **department** shall establish classification requirements and qualifications for
29 licensure under this section by rule. The [*authority*] **department** shall issue a license to an applicant
30 that has the necessary qualifications and meets all requirements established by rule, including the
31 payment of required fees. An in-home care agency shall be required to maintain administrative and
32 professional oversight to ensure the quality of services provided and that the training requirements
33 established by the [*authority*] **department** under ORS 443.011, if applicable, have been met by any
34 individual employed by or contracting with the in-home care agency to provide in-home care ser-
35 vices.

36 (3) Application for a license required under subsection (1) of this section shall be made in the
37 form and manner required by the [*authority*] **department** by rule and shall be accompanied by any
38 required fees.

39 (4) A license may be granted, or may be renewed annually, upon payment of a fee as follows:

40 (a) For the initial licensure of an in-home care agency that is classified as:

41 (A) Limited, the fee is \$2,000.

42 (B) Basic, the fee is \$2,250.

43 (C) Intermediate, the fee is \$2,500.

44 (D) Comprehensive, the fee is \$3,000.

45 (b) There is an additional fee of \$1,250 for the initial licensure of each subunit in any classi-

1 fication of in-home care agency.

2 (c) For the renewal of a license classified as:

3 (A) Limited or basic, the fee is \$1,000.

4 (B) Intermediate, the fee is \$1,250.

5 (C) Comprehensive, the fee is \$1,500.

6 (d) There is an additional fee of \$1,000 for the renewal of licensure for each subunit in any
7 classification of in-home care agency.

8 (e) For a change of ownership at a time other than the annual renewal date:

9 (A) The fee is \$350; and

10 (B) There is an additional fee of \$350 for each subunit.

11 (5) A license issued under this section is valid for one year. A license may be renewed by pay-
12 ment of the required renewal fee and by demonstration of compliance with requirements for renewal
13 established by rule.

14 (6) A license issued under this section is not transferable.

15 (7) The [authority] **department** shall conduct an on-site inspection of each in-home care agency
16 prior to services being rendered and once every two years thereafter as a requirement for licensing.

17 (8) In lieu of the on-site inspection required by subsection (7) of this section, the [authority]
18 **department** may accept a certification or accreditation from a federal agency or an accrediting
19 body approved by the [authority] **department** that the state licensing standards have been met, if
20 the in-home care agency:

21 (a) Notifies the [authority] **department** to participate in any exit interview conducted by the
22 federal agency or accrediting body; and

23 (b) Provides copies of all documentation concerning the certification or accreditation requested
24 by the [authority] **department**.

25 **SECTION 1131.** ORS 443.325 is amended to read:

26 443.325. (1) The Oregon [Health Authority] **Department of Health** may impose a civil penalty
27 and may deny, suspend or revoke the license of any in-home care agency licensed under ORS 443.315
28 for failure to comply with ORS 443.305 to 443.350 or with rules adopted thereunder. A failure to
29 comply with ORS 443.305 to 443.350 includes, but is not limited to:

30 (a) Failure to provide a written disclosure statement to the client or the client's representative
31 prior to in-home care services being rendered;

32 (b) Failure to provide the contracted in-home care services;

33 (c) Failure to correct deficiencies identified during an inspection by the [authority]
34 **department**; or

35 (d) A demonstrated pattern, over the previous five years, of significant and substantiated vio-
36 lations of:

37 (A) Employment or wage laws in this state, as prescribed by the [authority] **department** by rule:

38 (i) By an in-home care agency licensee as an employer of staff in an in-home care agency; or

39 (ii) By an applicant for an in-home care agency license in any business owned or operated by
40 the applicant; or

41 (B) Caregiver training requirements, as established by the [authority] **department** by rule, in
42 any in-home care agency owned or operated by an in-home care agency licensee.

43 (2) The [authority] **department** may deny, suspend or revoke the license of any in-home care
44 agency licensed under ORS 443.315 for failure to comply with ORS 443.004.

45 **SECTION 1132.** ORS 443.327 is amended to read:

1 443.327. (1) Notwithstanding the existence and pursuit of any other remedy, the Oregon [*Health*
 2 *Authority*] **Department of Health** may, in the manner provided by law, maintain an action in the
 3 name of the state for injunction or other process against any person to restrain or prevent the es-
 4 tablishment, conduct, management or operation of an in-home care agency without a license. The
 5 [*authority*] **department** may recover attorney fees and court costs for any such action.

6 (2) If an in-home care agency is found to be operating without a valid license, the in-home care
 7 agency must provide notice to its clients in a manner and period of time set forth by the
 8 [*authority*] **department**.

9 **SECTION 1133.** ORS 443.340 is amended to read:

10 443.340. The Oregon [*Health Authority*] **Department of Health** shall adopt administrative rules
 11 necessary for the implementation and administration of ORS 443.305 to 443.350. These rules shall
 12 include, but are not limited to, a requirement that an in-home care agency must conduct criminal
 13 background checks on all individuals employed by or contracting with the agency as in-home
 14 caregivers.

15 **SECTION 1134.** ORS 443.345 is amended to read:

16 443.345. All moneys received pursuant to ORS 443.315, 443.325 and 443.327 shall be deposited in
 17 the State Treasury and credited to an account designated by the Oregon [*Health Authority*] **De-**
 18 **partment of Health**. Such moneys are continuously appropriated to the [*authority*] **department** for
 19 the administration of ORS 443.305 to 443.350.

20 **SECTION 1135.** ORS 443.355 is amended to read:

21 443.355. (1) Rules adopted by the Oregon [*Health Authority*] **Department of Health** pursuant to
 22 ORS 443.085 and 443.340 shall include procedures for the filing of complaints as to the care or ser-
 23 vices provided by home health agencies, in-home care agencies or caregiver registries that ensure
 24 the confidentiality of the identity of the complainant.

25 (2) An employee or contract provider with knowledge of a violation of law or rules of the [*au-*
 26 *thority*] **department** shall use the reporting procedures established by the home health agency, in-
 27 home care agency or caregiver registry before notifying the [*authority*] **department** or other state
 28 agency of the inappropriate care or violation, unless the employee or contract provider:

- 29 (a) Believes a client's health or safety is in immediate jeopardy; or
- 30 (b) Files a complaint in accordance with rules adopted under subsection (1) of this section.

31 (3) Information obtained by the [*authority*] **department** during an investigation of a complaint
 32 or reported violation under this section is confidential and not subject to public disclosure under
 33 ORS 192.311 to 192.478. Upon the conclusion of the investigation, the [*authority*] **department** may
 34 publicly release a report of its findings but may not include information in the report that could be
 35 used to identify the complainant or any client of the home health agency, in-home care agency or
 36 caregiver registry. The [*authority*] **department** may use any information obtained during an inves-
 37 tigation in an administrative or judicial proceeding concerning the licensing of a home health
 38 agency, in-home care agency or caregiver registry.

39 (4) As used in this section:

- 40 (a) "Caregiver registry" has the meaning given that term in ORS 443.014.
- 41 (b) "Home health agency" has the meaning given that term in ORS 443.014.
- 42 (c) "In-home care agency" has the meaning given that term in ORS 443.305.

43 **SECTION 1136.** ORS 443.380 is amended to read:

44 443.380. As used in ORS 443.380 to 443.394:

45 (1) "Administrative action" means an action, inaction or decision by an owner, employee or

1 agent of a residential facility or by a state, local, social service or health agency that could affect
 2 the health, safety, welfare or rights of residents of the facility.

3 (2) "Designee" means an individual appointed by the Residential Facilities Ombudsman in ac-
 4 cordance with ORS 443.386.

5 (3) "Legal representative" means a person to whom a resident or a court has granted legal au-
 6 thority to permit access to the resident's personal information and medical records.

7 (4) "Long Term Care Ombudsman" means the individual appointed by the Governor under ORS
 8 441.403.

9 (5) "Resident" means an individual who resides in a residential facility.

10 (6)(a) "Residential facility" means one of the following:

11 (A) A residential training facility, as defined in ORS 443.400.

12 (B) A residential training home, as defined in ORS 443.400.

13 (C) A licensed adult foster home as defined in ORS 443.705 that serves persons with mental ill-
 14 ness or developmental disabilities.

15 (D) A developmental disability child foster home, as defined in ORS 443.830.

16 (E) A residential treatment facility, as defined in ORS 443.400.

17 (F) A residential treatment home, as defined in ORS 443.400.

18 (G) A conversion facility licensed under ORS 443.431.

19 (b) "Residential facility" does not include a:

20 (A) Secured facility housing persons committed under ORS 161.327; or

21 (B) Facility licensed by the Oregon [*Health Authority*] **Department of Health** to provide alcohol
 22 and drug treatment.

23 (7) "Residential Facilities Ombudsman Program" means the services provided by the Residential
 24 Facilities Ombudsman.

25 **SECTION 1137.** ORS 443.382 is amended to read:

26 443.382. (1) The Long Term Care Ombudsman, in consultation with the Residential Ombudsman
 27 and Public Guardianship Advisory Board established under ORS 441.416, shall appoint a Residential
 28 Facilities Ombudsman for a four-year term. The Residential Facilities Ombudsman serves at the
 29 pleasure of the Long Term Care Ombudsman and may be removed by the Long Term Care Om-
 30 budsman for cause. The Long Term Care Ombudsman shall fill any vacancy within 60 days. The
 31 salary of the Residential Facilities Ombudsman shall be determined by the Long Term Care Om-
 32 budsman. The Residential Facilities Ombudsman shall be reimbursed for all reasonable travel and
 33 other expenses incurred in the performance of the ombudsman's official duties.

34 (2) The Residential Facilities Ombudsman may, subject to the approval of the Long Term Care
 35 Ombudsman, hire or contract with volunteers, staff, deputy ombudsmen and other qualified individ-
 36 uals as necessary to perform the duties of the ombudsman.

37 (3) The Residential Facilities Ombudsman shall:

38 (a) Identify, investigate and resolve complaints made by or on behalf of residents about admin-
 39 istrative actions.

40 (b) Provide residents, families of residents, guardians, community members and administrators
 41 and staff of residential facilities with information regarding the rights of residents as set forth in
 42 ORS 427.107 and 430.210 and any other applicable rights of residents.

43 (c) Widely publicize the Residential Facilities Ombudsman's services, purpose and mode of op-
 44 eration.

45 (d) Undertake, participate in or cooperate with persons and agencies in conferences, inquiries,

1 meetings or studies that may lead to improvements in the functioning of residential facilities.

2 (e) Work closely with associations and citizen groups in this state and the state protection and
3 advocacy system under ORS 192.517.

4 (f) Provide services to residents to assist them in protecting their health, safety, welfare and
5 rights.

6 (g) Ensure that residents have regular, timely, private and unimpeded access to the Residential
7 Facilities Ombudsman's services and that a resident or an individual acting on behalf of a resident
8 who files a complaint receives a timely response to the complaint from the ombudsman or a
9 designee.

10 (h) Represent the interests of residents before government agencies and seek administrative, le-
11 gal or other appropriate remedies to protect the health, safety, welfare and rights of residents.

12 (i) Analyze, comment on and monitor the development and implementation of federal, state and
13 local laws and other governmental policies pertaining to the health, safety, welfare and rights of
14 residents.

15 (j) Recommend any changes to state or local laws to improve the health, safety, welfare and
16 rights of residents.

17 (k) Facilitate public comment on laws and policies that affect the health, safety, welfare and
18 rights of residents.

19 (L) Train designees.

20 (m) Promote the development of organizations to advocate on behalf of residents of residential
21 facilities.

22 (n) To the extent practicable, assist residents who move from a residential facility to a home
23 care setting.

24 (o) Assist residents and individuals acting on their behalf in locating and accessing resources
25 in the community and in connecting with local service providers.

26 (p) Engage the participation of residents in general studies, conferences, inquiries or meetings
27 related to residential care in this state.

28 (q) Make recommendations for improvements in the functioning of the residential facility system
29 in this state.

30 (r) Collaborate with the Oregon [*Health Authority*] **Department of Health**, the Department of
31 Human Services, and any other appropriate agencies and organizations to establish a statewide
32 system to collect and analyze information on complaints about and conditions in residential facilities
33 for the purpose of publicizing improvements and resolving significant problems for residents.

34 (s) Provide information to public agencies about the problems of residents.

35 (t) Collect and compile data necessary to prepare the report submitted to the Governor under
36 ORS 182.500.

37 (u) Adopt rules necessary for carrying out ORS 443.380 to 443.394, in accordance with ORS
38 chapter 183, in consultation with the Long Term Care Ombudsman and the Residential Ombudsman
39 and Public Guardianship Advisory Board.

40 **SECTION 1138.** ORS 443.384 is amended to read:

41 443.384. (1) The Oregon [*Health Authority*] **Department of Health**, the Department of Human
42 Services and the Residential Facilities Ombudsman shall agree to a format for the [*authority and the*
43 *department*] **Oregon Department of Health and the Department of Human Services** to provide
44 monthly to the ombudsman updated demographic and licensing information regarding each residen-
45 tial facility for which the Residential Facilities Ombudsman has responsibilities under this section.

1 (2) All state agencies, their representatives and service providers shall cooperate with and assist
 2 the Residential Facilities Ombudsman and designees in the performance of the ombudsman's duties
 3 and functions.

4 **SECTION 1139.** ORS 443.388 is amended to read:

5 443.388. (1) The Residential Facilities Ombudsman and each designee shall:

6 (a) Have private and unimpeded access to residential facilities and residents at any time con-
 7 sidered necessary and reasonable by the ombudsman or the designee for the purpose of:

8 (A) Investigating and resolving complaints made by or on behalf of residents, including by
 9 subpoenaing any person to appear and give sworn testimony or to produce documentary or other
 10 evidence that is reasonably material to the matter under investigation;

11 (B) Offering the services of the ombudsman or the designee to any resident, in private;

12 (C) Interviewing residents, with their consent, in private;

13 (D) Interviewing employees or agents of the facility;

14 (E) Consulting regularly with the facility administration; and

15 (F) Providing other services authorized by law or by rule.

16 (b) Notwithstanding ORS 192.553 to 192.581, have access to all of the following if necessary to
 17 investigate a complaint:

18 (A) Residents' records, including medical records with the consent of a resident or a resident's
 19 representative.

20 (B) For a resident who is unable to communicate consent and the resident's legal representative
 21 denies consent, access to the resident's records without consent if the ombudsman has reasonable
 22 cause to believe that the legal representative is not acting in the resident's best interests.

23 (C) For a resident who is unable to communicate consent and does not have a legal represen-
 24 tative, access to the resident's records, including medical records, without consent if the ombudsman
 25 or designee believes that the information is necessary for the investigation of the complaint.

26 (D) Records of any public agency, including abuse reports maintained under ORS 430.757.

27 (c) Have access to, upon request, copies of all licensing and certification records, including re-
 28 cords of corrective actions, maintained by the Department of Human Services or the Oregon [*Health*
 29 *Authority*] **Department of Health** with respect to residential facilities.

30 (d) Have access to the administrative records, policies and documents of residential facilities to
 31 which residents or the general public has access.

32 (e) Conduct each investigation in a manner that does not significantly disrupt the provision of
 33 residential care or treatment to residents.

34 (f) Show identification to the person in charge of a facility prior to entering the facility.

35 (2) The Residential Facilities Ombudsman shall enter into confidentiality agreements with the
 36 Department of Human Services and with the [*authority*] **Oregon Department of Health** permitting
 37 the ombudsman and each designee to have access to electronic records of the Department of Hu-
 38 man Services and the [*authority*] **Oregon Department of Health** that are necessary to carry out
 39 the duties of the ombudsman. The agreement must ensure that records obtained by the ombudsman
 40 from the Department of Human Services or the [*authority*] **Oregon Department of Health** that
 41 are confidential, privileged or otherwise protected from disclosure are not further disclosed, except
 42 as permitted by state and federal law.

43 **SECTION 1140.** ORS 443.390 is amended to read:

44 443.390. (1) If a complaint is made on behalf of a resident who has limited or no decision-making
 45 capacity and is unable to communicate consent for the Residential Facilities Ombudsman to inves-

1 tigate the complaint, and:

2 (a) The resident has no known legal representative:

3 (A) The ombudsman shall seek to discern the outcome that the resident desires and shall work
4 to accomplish that outcome; or

5 (B) If the ombudsman is unable to discern the resident's desired outcome, it shall be assumed
6 that the resident desires to have the resident's health, safety, welfare and rights protected; or

7 (b) The resident has a legal representative who refuses to provide consent to the investigation,
8 the ombudsman may proceed without consent if the ombudsman has reasonable cause to believe that
9 it is in the resident's best interests.

10 (2) A resident shall have the right to refuse to communicate with the ombudsman or the
11 designee. The refusal shall be made directly to the ombudsman or the designee and not through an
12 intermediary.

13 (3) Following an investigation of a complaint, the Residential Facilities Ombudsman or a
14 designee shall report the ombudsman's findings and conclusions to the resident who made the com-
15 plaint and to a complainant acting on behalf of a resident. If the ombudsman or designee finds
16 conditions threatening the health, safety or welfare of a resident that cannot be resolved informally,
17 the ombudsman or designee shall refer the findings to the Department of Human Services, the
18 Oregon *[Health Authority]* **Department of Health** or law enforcement officials.

19 (4) A resident shall have the right to participate in planning any course of action to be taken
20 on behalf of the resident by the ombudsman or the designee.

21 (5) A resident or an individual who makes a complaint to the Residential Facilities Ombudsman
22 under this section, or who participates in an investigation of a complaint, may not be subjected to
23 a penalty, sanction or restriction or be denied any right, privilege or benefit on account of making
24 the complaint or participating in the investigation of the complaint.

25 (6) The Department of Human Services shall prohibit retaliation or reprisals by a residential
26 facility or other entity with respect to any resident, employee or other person who files a complaint,
27 provides information or otherwise cooperates with the Residential Facilities Ombudsman or a
28 designee and shall provide by rule for appropriate sanctions with respect to the retaliation and re-
29 prisals.

30 (7) In order to encourage residents and individuals acting on behalf of residents to communicate
31 with the Residential Facilities Ombudsman or designee, any resident or individual acting on behalf
32 of a resident who makes a complaint to the Residential Facilities Ombudsman in good faith under
33 this section or who participates in an investigation of a complaint shall have immunity from any
34 civil or criminal liability that might otherwise be incurred or imposed with respect to the commu-
35 nication.

36 **SECTION 1141.** ORS 443.400 is amended to read:

37 443.400. As used in ORS 443.400 to 443.455 and 443.991, unless the context requires otherwise:

38 (1) "Behavioral health needs" means mental, emotional or behavioral disturbances.

39 (2) "Conversion facility" means a facility that has applied for, or been issued, a conversion fa-
40 cility license as described in ORS 443.431.

41 (3) "Direct care staff" means the employees of a residential facility whose primary responsibil-
42 ities are to provide personal care services to residents, including but not limited to:

43 (a) Administering medications;

44 (b) Coordinating resident-focused activities;

45 (c) Supervising and supporting residents;

1 (d) Supporting activities of daily living, including but not limited to bathing, dressing, eating and
2 transferring; and

3 (e) Serving but not preparing meals.

4 (4) "Licensing agency" means:

5 (a) The Department of Human Services, if the residential facility that is licensed, or that the
6 Director of Human Services determines should be licensed, is a residential care facility, residential
7 training facility or residential training home; or

8 (b) The Oregon [*Health Authority*] **Department of Health**, if the residential facility that is li-
9 censed, or that the Director of the Oregon [*Health Authority*] **Department of Health** determines
10 should be licensed, is a residential treatment facility or residential treatment home.

11 (5) "Resident" means any individual residing in a facility who receives residential care, treat-
12 ment or training. For purposes of ORS 443.400 to 443.455, an individual is not considered to be a
13 resident if the individual is related by blood or marriage within the fourth degree as determined by
14 civil law to the person licensed to operate or maintain the facility.

15 (6) "Residential care" means services such as supervision; protection; assistance while bathing,
16 dressing, grooming or eating; management of money; transportation; recreation; and the providing
17 of room and board.

18 (7) "Residential care facility" means a facility that provides residential care in one or more
19 buildings on contiguous properties:

20 (a) For six or more socially dependent individuals or individuals with physical disabilities; or

21 (b) For fewer than six socially dependent individuals or individuals with physical disabilities if
22 the purpose of the facility is to serve individuals with co-occurring behavioral health needs who are
23 more appropriately served in smaller settings.

24 (8) "Residential facility" means a residential care facility, residential training facility, residen-
25 tial treatment facility, residential training home, residential treatment home or conversion facility.

26 (9) "Residential training facility" means a facility that provides, for six or more individuals with
27 intellectual or developmental disabilities, residential care and training in one or more buildings on
28 contiguous properties.

29 (10) "Residential training home" means a facility that provides, for five or fewer individuals with
30 intellectual or developmental disabilities, residential care and training in one or more buildings on
31 contiguous properties, when so certified and funded by the Department of Human Services.

32 (11) "Residential treatment facility" means a facility that provides, for six or more individuals
33 with mental, emotional or behavioral disturbances or alcohol or drug dependence, residential care
34 and treatment in one or more buildings on contiguous properties.

35 (12) "Residential treatment home" means a facility that provides for five or fewer individuals
36 with mental, emotional or behavioral disturbances or alcohol or drug dependence, residential care
37 and treatment in one or more buildings on contiguous properties.

38 (13) "Training" means the systematic, planned maintenance, development or enhancement of
39 self-care skills, social skills or independent living skills, or the planned sequence of systematic
40 interactions, activities or structured learning situations designed to meet each resident's specified
41 needs in the areas of physical, social, emotional and intellectual growth.

42 (14) "Treatment" means a planned, individualized program of medical, psychological or
43 rehabilitative procedures, experiences and activities designed to relieve or minimize mental, emo-
44 tional, physical or other symptoms or social, educational or vocational disabilities resulting from or
45 related to the mental or emotional disturbance, physical disability or alcohol or drug problem.

SECTION 1142. ORS 443.410 is amended to read:

443.410. (1) A license issued by the Department of Human Services is required in order to operate or maintain a residential care facility, residential training facility or residential training home.

(2) A license issued by the Oregon *[Health Authority]* **Department of Health** is required in order to operate or maintain a residential treatment facility or residential treatment home.

(3) A facility may not be subject to licensing by both the *[department and the authority]* **Department of Human Services and the Oregon Department of Health** under this section. If a facility could be licensed under either subsection (1) or (2) of this section, the Director of Human Services and the Director of the Oregon *[Health Authority]* **Department of Health** shall determine the category of licensure that applies to the facility.

SECTION 1143. ORS 443.415 is amended to read:

443.415. (1) Applications for licensure to maintain and operate a residential facility shall be made to the Department of Human Services or the Oregon *[Health Authority]* **Department of Health** on forms provided for that purpose by the appropriate licensing agency. Each application shall be accompanied by a fee. No fee is required of any governmentally operated residential facility.

(2)(a) The application fee for a residential training facility or a residential treatment facility is \$60.

(b) The application fee for a residential training home is \$50.

(c) The application fee for a residential treatment home is \$30.

(d) The application fee for a residential care facility is:

(A) For a facility with one to 15 beds, \$2,000.

(B) For a facility with 16 to 49 beds, \$3,000.

(C) For a facility with 50 to 99 beds, \$4,000.

(D) For a facility with 100 to 150 beds, \$5,000.

(E) For a facility with more than 150 beds, \$6,000.

(3) Upon receipt of an application and fee, the licensing agency shall conduct an in-person site inspection, including, for residential care facilities, an inspection of the kitchen and other areas where food is prepared for residents. The licensing agency shall issue a license to any applicant for operation of a residential facility in compliance with ORS 443.002 and 443.400 to 443.455 and the rules of the licensing agency. Licensure may be denied when a residential facility is not in compliance with ORS 443.002 or 443.400 to 443.455 or the rules of the licensing agency. Licensure shall be denied if the State Fire Marshal, deputy or approved authority has given notice of noncompliance of a residential care facility, residential training facility or residential treatment facility pursuant to ORS 479.220.

SECTION 1144. ORS 443.416 is amended to read:

443.416. (1) The Director of Human Services or authorized representative shall periodically visit and inspect every residential care facility, residential training facility or residential training home to determine whether it is maintained and operated in accordance with ORS 443.400 to 443.455 and the rules of the director, and to consult with and advise management concerning methods of care, treatment, training, records, housing and equipment. Employees of the Department of Human Services and the State Fire Marshal or authorized representative on request shall be permitted access to the premises and records of individuals in the facility or home that are pertinent to fire safety.

(2) The Director of the Oregon *[Health Authority]* **Department of Health** or authorized representative shall periodically visit and inspect every residential treatment facility or residential

1 treatment home to determine whether it is maintained and operated in accordance with ORS 443.400
 2 to 443.455 and the rules of the director, and to consult with and advise management concerning
 3 methods of care, treatment, training, records, housing and equipment. Employees of the Oregon
 4 [Health Authority] **Department of Health** and the State Fire Marshal or authorized representative
 5 on request shall be permitted access to the premises and records of individuals in the facility or
 6 home that are pertinent to fire safety.

7 **SECTION 1145.** ORS 443.417 is amended to read:

8 443.417. (1) The Department of Human Services shall annually inspect the kitchen of a facility
 9 and other areas where food is prepared for residents. In a year when the department is required by
 10 law to conduct a survey, the department shall conduct the inspection as part of the survey. The
 11 inspection must be conducted by an individual who has training and expertise in food sanitation.
 12 For an inspection not conducted as part of a legally required survey, the department may charge
 13 the inspected facility a fee of up to \$200.

14 (2) The Department of Human Services or the Oregon [Health Authority] **Department of**
 15 **Health** may not deny or delay a license or refuse to renew a license:

16 (a) For a facility's first failure to pass an inspection; or

17 (b) If the Department of Human Services fails to conduct an inspection in a timely manner.

18 (3) Any fees collected by the Department of Human Services under this section shall be de-
 19 posited into the Quality Care Fund established in ORS 443.001 and are continuously appropriated
 20 to the department for conducting inspections described in subsection (1) of this section.

21 **SECTION 1146.** ORS 443.419 is amended to read:

22 443.419. (1) The Department of Human Services or the Oregon [Health Authority] **Department**
 23 **of Health** may revoke, suspend or impose conditions on the license of any residential training fa-
 24 cility or residential training home based on criteria adopted by the licensing agency by rule, in-
 25 cluding but not limited to when:

26 (a) There exists a threat to the health, safety or welfare of a resident;

27 (b) There is reliable evidence of abuse, neglect or exploitation of a resident; or

28 (c) The facility or home is out of compliance with ORS 443.002 or 443.400 to 443.455 or the rules
 29 of the licensing agency.

30 (2) In cases where an imminent danger to the health or safety of the residents exists, a license
 31 may be suspended immediately.

32 **SECTION 1147.** ORS 443.421 is amended to read:

33 443.421. (1) Except as provided in subsection (2) of this section, the Department of Human Ser-
 34 vices or the Oregon [Health Authority] **Department of Health** may revoke or suspend the license
 35 of any residential care facility that is not operated in accordance with ORS 443.002 or 443.400 to
 36 443.455 or the rules of the licensing agency. Such revocation or suspension must be taken in ac-
 37 cordance with rules of the licensing agency and ORS chapter 183. However, in cases where an im-
 38 minent danger to the health or safety of the residents exists, a license may be suspended
 39 immediately pending a fair hearing not later than the 10th day after such suspension.

40 (2)(a) In a case where an imminent danger to the health or safety of the residents exists, a res-
 41 idential care facility license may be suspended immediately.

42 (b) The residential care facility is entitled to a contested case hearing to appeal an order of
 43 immediate suspension in accordance with procedures adopted by the Department of Justice by rule
 44 concerning emergency license suspensions.

45 (c) When the Department of Human Services issues an immediate suspension order under this

1 subsection, the department may:

2 (A) Transition all residents of the residential care facility to other residential facilities; or

3 (B) Appoint a management company with demonstrated skill and experience in operating resi-
4 dential facilities to manage the residential care facility and care for the residents of the facility. If
5 the facility is unable to pay for the appointed management company, the department shall use funds
6 from the facility trustee account fund to cover the cost.

7 **SECTION 1148.** ORS 443.422 is amended to read:

8 443.422. (1) To prevent the perpetuation of segregated housing patterns, the Department of Hu-
9 man Services, in consultation with the Oregon [*Health Authority*] **Department of Health**, shall de-
10 termine the location and type of licensed residential facilities and the location of facilities subject
11 to the provisions of ORS 169.690.

12 (2) Before a license is issued for a residential facility as defined in ORS 443.400, the issuing
13 agency shall determine the number and type of any other licensed residential facilities and the
14 number and type of facilities subject to the provisions of ORS 169.690 within a 1,200 foot radius.

15 (3) None of the data collected under this section shall be used in a manner that violates the Fair
16 Housing Amendments Act of 1988.

17 **SECTION 1149.** ORS 443.425 is amended to read:

18 443.425. (1) Licensure under ORS 443.415 is effective for two years from the date of issue unless
19 sooner revoked. Each license shall state:

20 (a) The name of the person operating the residential facility;

21 (b) The name of the person who owns the residential facility and, for a residential training fa-
22 cility or a residential training home, all persons with an ownership interest of five percent or more;

23 (c) The address of the premises to which the license applies and the maximum number of resi-
24 dents to be maintained in the residential facility at any time whether the residential facility is li-
25 censed as a residential training facility, a residential treatment facility, a residential care facility,
26 a residential training home or residential treatment home; and

27 (d) Other information that the Department of Human Services or the Oregon [*Health Authority*]
28 **Department of Health** considers necessary.

29 (2) A license is renewable upon submission of an application to the [*department or the*
30 *authority*] **Department of Human Services or the Oregon Department of Health** and payment
31 of a renewal fee. No fee is required of a governmentally operated residential facility. Filing of an
32 application for renewal before the date of expiration of a license extends the effective date of expi-
33 ration of the license until the licensing agency has acted upon the application. The licensing agency
34 shall refuse to renew a license if:

35 (a) The facility is not substantially in compliance with all applicable laws and rules;

36 (b) For a residential care facility, the facility has failed an inspection of the kitchen or other
37 areas where food is prepared for residents that was conducted by the Department **of Human Ser-**
38 **vices** in accordance with ORS 443.417, except as provided in ORS 443.417 (2); or

39 (c) The State Fire Marshal, deputy or approved authority has given notice of noncompliance of
40 a residential care facility, residential training facility or residential treatment facility pursuant to
41 ORS 479.220.

42 (3)(a) The biennial renewal fee for a residential training facility or a residential treatment fa-
43 cility is \$60.

44 (b) The biennial renewal fee for a residential training home is \$50.

45 (c) The biennial renewal fee for a residential treatment home is \$30.

(d) The biennial renewal fee for a residential care facility is:

(A) For a facility with one to 15 beds, \$1,000.

(B) For a facility with 16 to 49 beds, \$1,500.

(C) For a facility with 50 to 99 beds, \$2,000.

(D) For a facility with 100 to 150 beds, \$2,500.

(E) For a facility with more than 150 beds, \$3,000.

SECTION 1150. ORS 443.430 is amended to read:

443.430. (1) A license under ORS 443.415 is not transferable or applicable to any location, residential facility or management other than that indicated on the application for licensure.

(2) Except as provided in subsection (3) of this section:

(a) All moneys collected under ORS 443.400 to 443.455 for the purpose of licensing a residential care facility, residential training facility or residential training home shall be deposited in a special account in the General Fund and are continuously appropriated for payment of expenses incurred by the Department of Human Services in administering and enforcing ORS 443.400 to 443.455.

(b) All moneys collected under ORS 443.400 to 443.455 for the purpose of licensing a residential treatment facility or residential treatment home shall be deposited in a special account in the General Fund and are continuously appropriated for payment of expenses incurred by the Oregon [Health Authority] **Department of Health** in administering and enforcing ORS 443.400 to 443.455.

(3) All moneys collected from a residential care facility under ORS 443.415, 443.425 or 443.455 shall be deposited in the Quality Care Fund established in ORS 443.001.

SECTION 1151. ORS 443.445 is amended to read:

443.445. (1) A residential facility may not admit individuals who require continuous nursing care except as provided in subsection (3) of this section.

(2) Except as provided in subsection (3) of this section, if any resident of a residential facility requires nursing care for eight or more consecutive days or a physician or the designee of a physician, a naturopathic physician or a registered nurse certifies that continued nursing care is required, the resident shall be transferred to an appropriate health care facility for as long as necessary.

(3) A resident of a residential care facility, residential training facility or residential training home who requires nursing care in addition to training or care needs, or any combination thereof, may be served by that facility or home with approval from the Department of Human Services and in accordance with the rules of the department and consistent with rules adopted by the Oregon State Board of Nursing under ORS 678.150 (8).

(4) A resident of a residential treatment facility or residential treatment home who requires nursing care in addition to treatment needs may be served by that facility or home with approval from the Oregon [Health Authority] **Department of Health** and in accordance with the rules of the [authority] **department** and consistent with rules adopted by the Oregon State Board of Nursing under ORS 678.150 (8).

(5) A residential facility may not admit individuals of categories other than those designated on its license without prior written consent of the licensing agency.

(6) In the case of residential facilities supervised by and operated exclusively for persons who rely upon prayer or spiritual means for healing in accordance with the creed or tenets of a well-recognized church or religious denomination, no medical, psychological or rehabilitative procedures shall be required.

SECTION 1152. ORS 443.450 is amended to read:

1 443.450. (1) For a residential care facility, residential training facility or residential training
2 home, the Director of Human Services shall adopt rules governing:

- 3 (a) The physical properties of the facility or home;
- 4 (b) Storage, preparation and serving of food;
- 5 (c) Care or training to be provided;
- 6 (d) The number, experience and training of the staff; and
- 7 (e) Any other factors affecting the care or training provided.

8 (2) For a residential treatment facility or residential treatment home, the Director of the Oregon
9 *[Health Authority]* **Department of Health** shall adopt rules governing:

- 10 (a) The physical properties of the facility or home;
- 11 (b) Storage, preparation and serving of food;
- 12 (c) Treatment to be provided;
- 13 (d) The number, experience and training of the staff; and
- 14 (e) Any other factors affecting the treatment provided.

15 (3) Distinct rules shall be adopted for homes of five or fewer residents, for facilities of six or
16 more but fewer than 16 residents, and for facilities for 16 or more residents. The rules shall differ-
17 entiate among categories of residents.

18 (4) For purposes of this section, “categories” refers to different populations of residents, differ-
19 entiated by, but not limited to, age and need, as defined by the Department of Human Services or
20 the Oregon *[Health Authority]* **Department of Health** by rule.

21 **SECTION 1153.** ORS 443.455 is amended to read:

22 443.455. (1) Except as provided in subsection (5) of this section, for purposes of imposing civil
23 penalties, residential facilities approved under ORS 443.400 to 443.455 are subject to ORS 441.705
24 to 441.745.

25 (2)(a) The Director of Human Services shall impose penalties on residential care facilities pur-
26 suant to ORS 441.731.

27 (b) The director shall by rule prescribe a schedule of penalties for residential training facilities
28 and residential training homes that are not in compliance with ORS 443.400 to 443.455.

29 (3) The Director of the Oregon *[Health Authority]* **Department of Health** shall by rule prescribe
30 a schedule of penalties for residential treatment facilities and residential treatment homes that are
31 not in compliance with ORS 443.400 to 443.455.

32 (4) If the Department of Human Services or the Oregon *[Health Authority]* **Department of**
33 **Health** investigates and makes a finding of abuse arising from deliberate or other than accidental
34 action or inaction that is likely to cause a negative outcome by a person with a duty of care toward
35 a resident of a residential facility, other than a residential care facility, and if the abuse resulted
36 in the death, serious injury, rape or sexual abuse of a resident, the *[department or authority]* **De-**
37 **partment of Human Services or the Oregon Department of Health** shall impose a civil penalty
38 of not less than \$2,500 for each occurrence of substantiated abuse, not to exceed \$15,000 in any
39 90-day period. As used in this subsection:

40 (a) “Negative outcome” includes serious injury, rape, sexual abuse or death.

41 (b) “Rape” means rape in the first degree as defined in ORS 163.375, rape in the second degree
42 as defined in ORS 163.365 and rape in the third degree as defined in ORS 163.355.

43 (c) “Serious injury” means physical injury that creates a substantial risk of death or that causes
44 serious and protracted disfigurement, protracted impairment of health or protracted loss or impair-
45 ment of the function of any bodily organ.

1 (d) "Sexual abuse" means any form of sexual contact between an employee of a residential fa-
 2 cility or a person providing services in the residential facility and a resident of that facility, in-
 3 cluding but not limited to sodomy, sexual coercion, sexually explicit photographing and sexual
 4 harassment.

5 (5) Civil penalties recovered from a residential training facility, residential training home, resi-
 6 dential treatment facility or residential treatment home shall be deposited in the Long Term Care
 7 Ombudsman Account established in ORS 441.419.

8 **SECTION 1154.** ORS 443.465 is amended to read:

9 443.465. (1) The Oregon [*Health Authority*] **Department of Health** shall adopt rules applicable
 10 to secure residential treatment homes and facilities as defined in ORS 443.400 that house persons
 11 who, as a condition of release under ORS 161.315 to 161.351, are required to live in a secure home
 12 or facility. The rules must:

- 13 (a) Provide minimum security, health and safety standards;
- 14 (b) Require the home or facility to have an emergency preparedness plan;
- 15 (c) Set minimum training standards for the staff of the home or facility; and
- 16 (d) Ensure compliance with any orders of the court or the Psychiatric Security Review Board.

17 (2) As used in this section, a residential treatment home or facility is "secure" if a resident exit
 18 from the home, facility or grounds of the home or facility is restricted through the use of locking
 19 devices on resident exit doors, gates or other closures.

20 **SECTION 1155.** ORS 443.485 is amended to read:

21 443.485. (1) Subject to ORS 443.490, a person that owns or operates a community-based struc-
 22 tured housing facility offered to the general public shall register with the Oregon [*Health*
 23 *Authority*] **Department of Health** the name and address of the owner or operator if the facility:

- 24 (a) Provides services and support to two or more adult residents, not related to the person by
 25 blood or marriage, who have mental, emotional, behavioral or substance use disorders; and
- 26 (b) Is not licensed or registered under any other law of this state or city or county ordinance
 27 or regulation.

28 (2) The registration fee is \$20 annually.

29 (3) The [*authority*] **department** shall establish by rule reasonable and appropriate standards for
 30 the operation of facilities subject to ORS 443.480 to 443.500. The standards must be consistent with
 31 the residential nature of the facilities and must address, at a minimum, the:

- 32 (a) Physical properties of a facility;
- 33 (b) Storage, preparation and serving of food at a facility that provides prepared meals;
- 34 (c) Storage, preparation and dispensing of medications and the assistance provided by staff to
 35 adult residents in taking medications; and
- 36 (d) Number, experience and training of the staff of a facility.

37 (4) The [*authority*] **department** shall provide evidence of the registration to the person. The
 38 evidence shall be posted in a facility.

39 (5) The [*authority*] **department** may impose a civil penalty not to exceed \$5,000 for:

- 40 (a) Operating without registration as required under this section; or
- 41 (b) A violation of ORS 443.880 or 443.881.

42 (6) The [*authority*] **department** may suspend or revoke registration or deny the issuance of
 43 registration for violation of any statute, rule, ordinance or regulation relating to the facility.

44 (7) Rules adopted under subsection (3) of this section must avoid imposing on facilities regulated
 45 by federal agencies any reporting requirements or review processes that duplicate the reporting

1 requirements or review processes imposed by the federal agency.

2 **SECTION 1156.** ORS 443.490 is amended to read:

3 443.490. If the Oregon [*Health Authority*] **Department of Health** finds that another govern-
 4 mental entity’s standards for the operation of a facility subject to ORS 443.480 to 443.500 are sub-
 5 stantially similar or superior to those under ORS 443.485 (3), the [*authority*] **department** may waive
 6 the requirements of ORS 443.485.

7 **SECTION 1157.** ORS 443.500 is amended to read:

8 443.500. (1) The Oregon [*Health Authority*] **Department of Health** staff shall be permitted ac-
 9 cess to enter and investigate complaints of abuse in all facilities registered under ORS 443.480 to
 10 443.500 and to ascertain a facility’s compliance with applicable rules, statutes, ordinances and reg-
 11 ulations. If the [*authority*] **department** has reasonable cause to believe any facility is operating
 12 without registration or is in violation of ORS 443.480 to 443.500, the [*authority*] **department** may
 13 apply to the circuit court for a search warrant.

14 (2) Upon complaint of any person:

15 (a) The state or local fire inspectors shall be permitted access to enter and inspect facilities
 16 registered under ORS 443.480 to 443.500 regarding fire safety.

17 (b) The state or local health officers shall be permitted access to enter and inspect facilities
 18 registered under ORS 443.480 to 443.500 regarding health and sanitation.

19 (3) The owner or operator of a facility may not retaliate against any individual who files a
 20 complaint or any witness or employee of a facility interviewed about the complaint, including but
 21 not limited to retaliation by restriction of a resident’s otherwise lawful access to the facility and,
 22 with respect to an employee, retaliation by dismissal or harassment.

23 **SECTION 1158.** ORS 443.705 is amended to read:

24 443.705. As used in ORS 443.705 to 443.825:

25 (1) “Adult foster home” means any family home or facility in which residential care is provided
 26 in a homelike environment for five or fewer adults who are not related to the provider by blood or
 27 marriage.

28 (2) “Licensed adult foster home” means a home which has been investigated and approved by
 29 the licensing agency. This includes an in-person site inspection of the facility.

30 (3) “Licensing agency” means:

31 (a) The Department of Human Services for adult foster homes licensed by the department.

32 (b) The Oregon [*Health Authority*] **Department of Health** for adult foster homes licensed by the
 33 [*authority*] **department**.

34 (4) “Provider” means any person operating an adult foster home and includes a resident man-
 35 ager. “Provider” does not include the owner or lessor of the building in which the adult foster home
 36 is located or the owner or lessor of the land on which the adult foster home is situated unless the
 37 owner or lessor is also the operator of the adult foster home.

38 (5) “Residential care” means the provision of room and board and services that assist the resi-
 39 dent in activities of daily living, such as assistance with bathing, dressing, grooming, eating,
 40 medication management, money management or recreation.

41 (6) “Substitute caregiver” means any person who provides care and services in an adult foster
 42 home under the jurisdiction of the licensing agency in the absence of the provider or resident
 43 manager.

44 **SECTION 1159.** ORS 443.734 is amended to read:

45 443.734. Consistent with the requirements of ORS 443.705 to 443.825:

1 (1) The Department of Human Services shall adopt:

2 (a) Rules for the licensing of adult foster homes that provide residential care to older adults;

3 (b) Rules for the licensing of adult foster homes that provide residential care to individuals with
4 physical disabilities; and

5 (c) Rules for the licensing of adult foster homes that provide residential care to individuals with
6 intellectual or developmental disabilities.

7 (2) The Oregon [*Health Authority*] **Department of Health** shall adopt rules for the licensing of
8 adult foster homes that provide residential care to individuals with mental illness.

9 **SECTION 1160.** ORS 443.735 is amended to read:

10 443.735. (1)(a) Applications for a license to maintain and operate an adult foster home shall be
11 made on forms provided by the licensing agency.

12 (b) Each application submitted to the Department of Human Services for an adult foster home
13 serving individuals with intellectual or developmental disabilities shall be accompanied by a fee of
14 \$50 per bed requested for licensing.

15 (c) Each application submitted to the Oregon [*Health Authority*] **Department of Health**, or to
16 the Department of Human Services for an adult foster home not serving individuals with intellectual
17 or developmental disabilities, shall be accompanied by a fee of \$20 per bed requested for licensing.

18 (2) Upon receipt of an application and fee, the licensing agency shall conduct an investigation.

19 (3) The licensing agency shall not issue an initial license unless:

20 (a) The applicant and adult foster home are in compliance with ORS 443.002 and 443.705 to
21 443.825 and the rules of the licensing agency;

22 (b) The licensing agency has completed an inspection of the adult foster home;

23 (c) The licensing agency has completed a criminal records check under ORS 181A.195 on the
24 applicant and any person, other than a resident, 16 years of age or older who will be residing in the
25 adult foster home. The criminal records check shall be conducted in accordance with rules adopted
26 under ORS 181A.195;

27 (d) The licensing agency has determined that the registry maintained under ORS 441.678 con-
28 tains no finding that the applicant or any nursing assistant employed by the applicant has been re-
29 sponsible for abuse; and

30 (e) The applicant has demonstrated to the licensing agency the financial ability and resources
31 necessary to operate the adult foster home. The licensing agency shall adopt rules as the agency
32 deems appropriate that establish the financial standards an applicant must meet to qualify for issu-
33 ance of a license and that protect financial information from public disclosure. The demonstration
34 of financial ability under this paragraph shall include, but need not be limited to, providing the li-
35 censing agency with a list of any unsatisfied judgments, pending litigation and unpaid taxes and
36 notifying the agency regarding whether the applicant is in bankruptcy. If the applicant is unable to
37 demonstrate the financial ability and resources required by this paragraph, the licensing agency may
38 require the applicant to furnish a financial guarantee as a condition of initial licensure.

39 (4) The licensing agency may not renew a license under this section unless:

40 (a) The applicant and the adult foster home are in compliance with ORS 443.002, 443.012 and
41 443.705 to 443.825 and the rules of the licensing agency;

42 (b) The licensing agency has completed an inspection of the adult foster home;

43 (c) The licensing agency has completed a criminal records check under ORS 181A.195 on the
44 applicant and any person, other than a resident, 16 years of age or older who will be residing in the
45 adult foster home. The criminal records check under this paragraph shall be conducted in accord-

1 ance with rules adopted under ORS 181A.195; and

2 (d) The licensing agency has determined that the registry maintained under ORS 441.678 con-
3 tains no finding that the applicant or any nursing assistant employed by the applicant has been re-
4 sponsible for abuse.

5 (5)(a) In seeking an initial license and renewal of a license when an adult foster home has been
6 licensed for less than 24 months, the burden of proof shall be upon the provider and the adult foster
7 home to establish compliance with ORS 443.705 to 443.825 and the rules of the licensing agency.

8 (b) In proceedings for renewal of a license when an adult foster home has been licensed for at
9 least 24 continuous months, the burden of proof shall be upon the licensing agency to establish
10 noncompliance with ORS 443.705 to 443.825 and the rules of the agency.

11 (6)(a) Persons who have been convicted of one or more crimes that, as determined by rules of
12 the licensing agency, are substantially related to the qualifications, functions or duties of a provider,
13 substitute caregiver or other household member of an adult foster home shall be prohibited from
14 operating, working in or residing in an adult foster home.

15 (b) The licensing agency shall adopt rules that distinguish the criminal convictions and types
16 of abuse that permanently prohibit a person from operating, working in or living in an adult foster
17 home from the convictions and types of abuse that do not permanently prohibit the person from
18 operating, working in or living in an adult foster home.

19 (c) A provider may not hire, retain in employment or allow to live in an adult foster home, other
20 than as a resident, any person who the provider knows has been convicted of a disqualifying crime
21 or has been found responsible for a disqualifying type of abuse.

22 (7) A license under ORS 443.725 is effective for one year from the date of issue unless sooner
23 revoked. Each license shall state the name of the resident manager of the adult foster home, the
24 names of all providers who own the adult foster home, the address of the premises to which the li-
25 cense applies, the maximum number of residents and the classification of the adult foster home. If,
26 during the period covered by the license, a resident manager changes, the provider must within 15
27 days request modification of the license. The request must be accompanied by a fee of \$10.

28 (8) No license under ORS 443.725 is transferable or applicable to any location, persons operating
29 the adult foster home or the person owning the adult foster home other than that indicated on the
30 application for licensing.

31 (9) The licensing agency shall not issue a license to operate an additional adult foster home to
32 a provider unless the provider has demonstrated the qualifications and capacity to operate the
33 provider's existing licensed adult foster homes and has demonstrated the ability to provide to the
34 residents of those adult foster homes care that is adequate and substantially free from abuse and
35 neglect.

36 (10)(a) All moneys collected under ORS 443.725 to 443.780 from adult foster homes that are li-
37 censed to serve persons with mental, emotional or behavioral disturbances or alcohol or drug de-
38 pendence shall be deposited in a special account in the General Fund, and are appropriated
39 continuously for payment of expenses incurred by the Oregon [*Health Authority*] **Department of**
40 **Health**.

41 (b) All moneys collected under ORS 443.725 to 443.780 from adult foster homes licensed to serve
42 persons who are elderly, have physical disabilities or have developmental disabilities shall be de-
43 posited in the Quality Care Fund established in ORS 443.001.

44 (11) Notwithstanding any other provision of this section or ORS 443.725 or 443.738, the licensing
45 agency may issue a 60-day provisional license to a qualified person if the agency determines that

1 an emergency situation exists after being notified that the licensed provider of an adult foster home
2 is no longer overseeing operation of the adult foster home.

3 **SECTION 1161.** ORS 443.775 is amended to read:

4 443.775. (1) The licensing agency shall adopt rules governing adult foster homes and the level
5 of care provided in such homes, including the provision of care to more than one person with
6 nursing care needs under specified conditions and agency approval, such as are necessary to protect
7 the health, safety or welfare of the residents and to provide for an appropriate continuum of care,
8 but shall not be inconsistent with the residential nature of the living accommodations and the family
9 atmosphere of the home. The rules shall be consistent with rules adopted by the Oregon State Board
10 of Nursing under ORS 678.150 (8).

11 (a) An exception to the limit of one resident with nursing care needs may be granted if the
12 provider proves to the licensing agency by clear and convincing evidence that such an exception
13 will not jeopardize the care, health, safety or welfare of the residents and that the provider is ca-
14 pable of meeting the additional care needs of the new resident.

15 (b) The licensing agency, and the counties acting under the exemption granted pursuant to ORS
16 443.780, shall report on a quarterly basis to the Legislative Assembly on the number of exceptions
17 granted during the quarter pursuant to paragraph (a) of this subsection.

18 (2) The provider may not employ a resident manager who does not meet the classification
19 standard for the adult foster home.

20 (3) The provider shall be able to meet the night care needs of a resident before admitting the
21 resident. The provider shall include night care needs in the resident's care plan.

22 (4) The provider shall screen a prospective resident before admitting the resident. The screening
23 shall include but is not limited to diagnosis, medications, personal care needs, nursing care needs,
24 night care needs, nutritional needs, activities and lifestyle preferences. A copy of the screening shall
25 be given to the prospective resident or the prospective resident's representative.

26 (5) The licensing agency shall make rules to ensure that any employee who makes a complaint
27 pursuant to ORS 443.755 shall be protected from retaliation.

28 (6) For adult foster homes in which clients reside for whom the licensing agency pays for care,
29 including homes in which the provider and the resident are related, the agency may require sub-
30 stantial compliance with its rules relating to standards for care of the client as a condition for
31 paying for care.

32 (7) By order the director of the licensing agency may delegate authority under this section to
33 personnel other than of the licensing agency.

34 (8) The licensing agency may commence a suit in equity to enjoin maintenance of an adult foster
35 home if:

36 (a) The home is operated without a valid license under this section; or

37 (b) After the license to maintain the home is ordered suspended or revoked, a reasonable time
38 for placement of residents in other facilities has been allowed but such placement has not been ac-
39 complished.

40 (9) The licensing agency shall establish by rule the maximum capacity of adult foster homes,
41 including all nonrelated and related persons receiving residential care and day care.

42 (10) Except as provided in subsection (11) of this section:

43 (a) The Department of Human Services may impose a civil penalty on any person who violates
44 a provision of ORS 443.705 to 443.825, or the rules adopted under ORS 443.705 to 443.825, with re-
45 gard to an adult foster home serving socially dependent individuals or individuals with physical

1 disabilities. The department shall establish the amount of the penalty by rule, in an amount not less
 2 than \$100 and not more than \$250 per violation, or in the case of substantiated abuse, not less than
 3 \$100 and not more than \$1,000 per violation.

4 (b) The department may impose a civil penalty on any person who violates a provision of ORS
 5 443.705 to 443.825, or the rules adopted under ORS 443.705 to 443.825, with regard to an adult foster
 6 home not serving socially dependent individuals or individuals with physical disabilities. The de-
 7 partment shall establish the amount of the penalty by rule, in an amount not to exceed \$100 per
 8 violation, to a maximum of \$250, or, per occurrence of substantiated abuse, to a maximum of \$1,000.

9 (c) The Oregon [*Health Authority*] **Department of Health** may impose a civil penalty on any
 10 person who violates a provision of ORS 443.705 to 443.825, or the rules adopted under ORS 443.705
 11 to 443.825. The [*authority*] **department** shall establish the amount of the penalty by rule, in an
 12 amount not to exceed \$100 per violation, to a maximum of \$250, or, per occurrence of substantiated
 13 abuse, to a maximum of \$1,000.

14 (11)(a) If the licensing agency determines that there is reasonable cause to believe that abuse
 15 occurred in an adult foster home licensed by the licensing agency and if the abuse resulted in the
 16 death, serious injury, rape, sexual abuse or sexual exploitation of a resident, the licensing agency
 17 shall impose a civil penalty on the adult foster home of not less than \$2,500 for each violation.

18 (b) This subsection does not apply to adult foster homes licensed by the licensing agency to
 19 serve only persons with mental illness or with alcohol or drug addiction.

20 (c) The licensing agency shall by rule define “serious injury,” “rape,” “sexual abuse” and “sex-
 21 ual exploitation” for purposes of this subsection.

22 (12) All penalties recovered pursuant to this section shall be deposited in the Quality Care Fund
 23 established in ORS 443.001.

24 **SECTION 1162.** ORS 443.860 is amended to read:

25 443.860. (1) A person may not establish, conduct or maintain a hospice program providing
 26 hospice services, or hold itself out to the public as a hospice program, without obtaining a license
 27 from the Oregon [*Health Authority*] **Department of Health**.

28 (2) The [*authority*] **department**:

29 (a) Shall adopt rules to carry out the provisions of ORS 443.850 to 443.869, including but not
 30 limited to rules for licensure that require an in-person site inspection of each licensed hospice pro-
 31 gram at least once every three years.

32 (b) May accept certification by a federal agency or accreditation by an accrediting organization
 33 approved by the [*authority*] **department** as evidence of compliance with the requirements for
 34 licensure adopted under paragraph (a) of this subsection if:

35 (A) The certification or accreditation meets standards and conditions established for hospice
 36 programs by the Centers for Medicare and Medicaid Services;

37 (B) The hospice program invites the [*authority*] **department** to participate in any exit interview
 38 conducted by the agency or organization; and

39 (C) The hospice program provides the [*authority*] **department** with copies of all documentation
 40 requested by the [*authority*] **department** concerning the certification or accreditation.

41 (3) The fee to obtain or renew a hospice program license is \$1,140.

42 (4) The [*authority*] **department** shall prescribe by rule the form and manner for application for
 43 or renewal of a license. The [*authority*] **department** shall issue a license to an applicant that has
 44 the necessary qualifications, meets all requirements established by the [*authority*] **department** by
 45 rule and has paid the fee.

(5) A license issued under this section is valid for one year and is not transferable. A license may be renewed by payment of the fee and demonstration of compliance with requirements for renewal established by the *[authority]* **department** by rule.

SECTION 1163. ORS 443.861 is amended to read:

443.861. All moneys received by the Oregon *[Health Authority]* **Department of Health** under ORS 443.860 shall be paid into the State Treasury and deposited to the credit of the Public Health Account established in ORS 431.210. The moneys shall be used by the *[authority]* **department** in carrying out its duties under ORS 443.850 to 443.869.

SECTION 1164. ORS 443.864 is amended to read:

443.864. The Oregon *[Health Authority]* **Department of Health** may suspend, revoke or refuse to renew the license of a hospice program for failure to comply with ORS 443.860 or with rules adopted pursuant to ORS 443.860.

SECTION 1165. ORS 443.867 is amended to read:

443.867. Notwithstanding ORS 443.305 to 443.350 requiring an in-home care agency to obtain a license to provide services that are necessary to assist an individual in meeting the individual's daily needs but are not curative or rehabilitative, a hospice program licensed under ORS 443.860 is not required to be licensed as an in-home care agency under ORS 443.315 to provide palliative care, as defined by the Oregon *[Health Authority]* **Department of Health** by rule.

SECTION 1166. ORS 443.869 is amended to read:

443.869. In addition to any other liability or penalty provided by law, the Director of the Oregon *[Health Authority]* **Department of Health** may impose a civil penalty of \$1,000 per day, up to \$10,000 in any 30-day period, for any of the following:

- (1) Violation of any of the terms or conditions of a license issued under ORS 443.860 to a hospice program.
- (2) Violation of any rule or general order of the Oregon *[Health Authority]* **Department of Health** that pertains to a hospice program.
- (3) Violation of any final order of the director that pertains specifically to a hospice program owned or operated by the person incurring the penalty.
- (4) Violation of ORS 443.860 or of rules adopted under ORS 443.860.
- (5) Civil penalties under this section shall be imposed in the manner provided by ORS 183.745.
- (6) All penalties recovered under this section shall be paid into the State Treasury and credited to the General Fund and are available for general governmental expenses.

SECTION 1167. ORS 443.875 is amended to read:

443.875. (1) If the Department of Human Services or the Oregon *[Health Authority]* **Department of Health** substantiates an allegation of abuse that occurred in a facility, the *[department or authority]* **Department of Human Services or the Oregon Department of Health** shall immediately notify the facility of its findings.

(2) Upon receipt of the notice described in subsection (1) of this section, a facility shall provide written notice of the findings to the individual found to have committed abuse, residents of the facility, the residents' case managers and the residents' guardians.

(3) An application for employment at a facility must inquire whether the applicant has been found to have committed abuse.

(4) As used in this section:

- (a) "Abuse" has the meaning given that term in ORS 430.735.
- (b) "Facility" means:

1 (A) A residential facility as defined in ORS 443.400; or

2 (B) An adult foster home as defined in ORS 443.705.

3 **SECTION 1168.** ORS 443.991 is amended to read:

4 443.991. (1) Violation of ORS 443.015 is punishable as a Class C misdemeanor.

5 (2) Violation of any provision of ORS 443.400 to 443.455 is a Class B misdemeanor.

6 (3) The Department of Human Services may commence an action to enjoin operation of a resi-
7 dential care facility, residential training facility or residential training home:

8 (a) If the facility or home is operated without valid licensure; or

9 (b) After notice of revocation has been given and a reasonable time for placement of individuals
10 in other facilities or homes has been allowed.

11 (4) The Oregon [*Health Authority*] **Department of Health** may commence an action to enjoin
12 operation of a residential treatment facility or residential treatment home:

13 (a) If the facility or home is operated without valid licensure; or

14 (b) After notice of revocation has been given and a reasonable time for placement of individuals
15 in other facilities or homes has been allowed.

16 (5) Violation of ORS 443.725 is punishable as a Class C misdemeanor.

17 (6) Violation of any provision of ORS 443.755 is a Class B misdemeanor. In addition, the De-
18 partment **of Human Services** may commence an action to enjoin operation of an adult foster home:

19 (a) When an adult foster home is operated without a valid license; or

20 (b) After notice of revocation has been given and a reasonable time for placement of individuals
21 in other facilities has been allowed.

22 (7) Violation of ORS 443.881 is punishable as a Class C misdemeanor.

23 **SECTION 1169.** ORS 444.300 is amended to read:

24 444.300. (1) Subject to available funding, including gifts, grants or donations, the Oregon [*Health*
25 *Authority*] **Department of Health** shall establish a uniform, statewide database for the collection
26 of information on Type I and Type II diabetes occurring in children in Oregon. The purposes of the
27 database shall be to collect and serve as a repository for data about the prevalence and incidence
28 of diabetes occurring in the pediatric population of this state and to make the data available for
29 scientific and medical research and for assistance in making decisions about the allocation of public
30 resources.

31 (2) The database established by subsection (1) of this section shall include data provided to the
32 [*authority*] **department** by schools and physicians as required by ORS 444.310 and 444.320.

33 (3) The [*authority*] **department** shall adopt rules:

34 (a) Necessary to carry out the purposes of ORS 444.300 to 444.330, including but not limited to
35 the reporting format and the effective date after which reporting by schools and physicians shall
36 be required; and

37 (b) Under which confidential data may be used by third parties to conduct research and studies
38 for the public good.

39 **SECTION 1170.** ORS 444.310 is amended to read:

40 444.310. The Oregon [*Health Authority*] **Department of Health** shall conduct an annual survey,
41 to be completed by June 15, of all public schools and public charter schools in Oregon to collect
42 data about diabetes occurring in students. Each school surveyed shall report to the [*authority*] **de-**
43 **partment** for each student enrolled at the school who has Type 1 or Type II diabetes:

44 (1) The name and address of the student;

45 (2) The gender of the student;

- 1 (3) The date of birth of the student;
 2 (4) The type of diabetes diagnosed; and
 3 (5) The date of diagnosis.

4 **SECTION 1171.** ORS 444.320 is amended to read:

5 444.320. (1) As used in this section, “child” means an individual 18 years of age or younger.

6 (2) In accordance with ORS 444.300, upon diagnosing or first treating a child with Type I or
 7 Type II diabetes, a physician shall report to the Oregon [*Health Authority*] **Department of Health**:

- 8 (a) The name and address of the child;
 9 (b) The gender of the child;
 10 (c) The date of birth of the child;
 11 (d) The type of diabetes the child has; and
 12 (e) The date of diagnosis or first treatment by the reporting physician.

13 **SECTION 1172.** ORS 444.330 is amended to read:

14 444.330. All identifying information regarding individual children that is reported to the Oregon
 15 [*Health Authority*] **Department of Health** pursuant to ORS 444.300 to 444.330 shall be confidential
 16 and privileged. Except as required in connection with the administration or enforcement of public
 17 health laws or rules, no public health official, employee, agent or other person entitled to access
 18 or use data under ORS 444.300 to 444.330 shall be examined in an administrative or judicial pro-
 19 ceeding as to the existence or contents of data in the database established under ORS 444.300 to
 20 444.330. Research and studies conducted using confidential data from the statewide database must
 21 be reviewed and approved by the body used by the [*authority*] **department** as the Committee for the
 22 Protection of Human Research Subjects and established in accordance with 45 C.F.R. 46.

23 **SECTION 1173.** ORS 446.310 is amended to read:

24 446.310. As used in ORS 446.310 to 446.350, unless the context requires otherwise:

25 [(1) “*Authority*” means the Oregon Health Authority.]

26 [(2)] (1) “Camping vehicle” means either a vacation trailer or a self-propelled vehicle or struc-
 27 ture equipped with wheels for highway use and that is intended for human occupancy and is being
 28 used for vacation and recreational purposes, but not for residential purposes, and is equipped with
 29 plumbing, sink or toilet.

30 [(3)] (2) “Construction” means work regulated by the state building code as defined in ORS
 31 455.010.

32 [(4) “*Director*” means the Director of the Oregon Health Authority.]

33 [(5)] (3) “Health official” means a local public health administrator as defined in ORS 431.003.

34 [(6)] (4) “Hostel” means any establishment having beds rented or kept for rent on a daily basis
 35 to travelers for a charge or fee paid or to be paid for rental or use of facilities and that is operated,
 36 managed or maintained under the sponsorship of a nonprofit organization that holds a valid ex-
 37 emption from federal income taxes under the Internal Revenue Code of 1954 as amended.

38 [(7)] (5) “Organizational camp” includes any area designated by the person establishing, oper-
 39 ating, managing or maintaining the same for recreational use by groups or organizations that in-
 40 clude but are not limited to youth camps, scout camps, summer camps, day camps, nature camps,
 41 survival camps, athletic camps, camps that are operated and maintained under the guidance, super-
 42 vision or auspices of religious, public and private educational systems and community service or-
 43 ganizations.

44 [(8)] (6) “Picnic park” means any recreation park that is for day use only and provides no re-
 45 creation vehicle or overnight camping spaces.

1 [(9)] (7) “Recreation park” means any area designated by the person establishing, operating,
 2 managing or maintaining the same for picnicking, overnight camping or use of recreational vehicles
 3 by the general public or any segment of the public. “Recreation park” includes but is not limited
 4 to areas open to use free of charge or through payment of a tax or fee or by virtue of rental, lease,
 5 license, membership, association or common ownership and further includes, but is not limited to,
 6 those areas divided into two or more lots, parcels, units or other interests for purposes of such use.

7 [(10)] (8) “Regulating agency” means, with respect to a tourist facility, the Oregon [*Health Au-*
 8 *thority*] **Department of Health**.

9 [(11)] (9) “Tourist facility” means any travelers’ accommodation, hostel, picnic park, recreation
 10 park and organizational camp.

11 [(12)] (10) “Travelers’ accommodation” includes any establishment, which is not a hostel, having
 12 rooms, apartments or sleeping facilities rented or kept for rent on a daily or weekly basis to trav-
 13 elers or transients for a charge or fee paid or to be paid for rental or use of facilities.

14 **SECTION 1174.** ORS 446.317 is amended to read:

15 446.317. (1) As used in this section:

16 (a) “Landlord” means a tourist facility owner holding a license issued under ORS 446.320.

17 (b) “Tenant” means a person, or a public body as defined in ORS 174.109, that:

18 (A) Is not under common ownership, management or control with the landlord;

19 (B) Rents or leases all or part of a tourist facility from a landlord for the purpose of operating
 20 an organizational camp, conference or other private gathering on one or more days during the term
 21 of the rental or lease; and

22 (C) For the term of the rental or lease enjoys exclusive occupancy of the rented or leased part
 23 of the tourist facility.

24 (2) The Oregon [*Health Authority*] **Department of Health** shall adopt rules identifying duties
 25 under ORS 446.310 to 446.350 that a landlord may contractually delegate to a tenant for the term
 26 of the rental or lease of a tourist facility. The [*authority*] **department** may adopt rules specifying
 27 the form and format to be used in a contract under which a landlord delegates a duty to a tenant,
 28 including but not limited to the manner of setting forth the delegated duty.

29 (3) Notwithstanding ORS 446.320, if a contract delegates a duty identified in [*authority*] **de-**
 30 **partment** rules adopted under subsection (2) of this section and the contract form and format con-
 31 forms with any specifications of the [*authority*] **department**, the [*authority*] **department** may not
 32 deny, suspend or revoke the tourist facility license of the landlord or issue the landlord a civil
 33 penalty under ORS 446.310 to 446.350, and the landlord may not be charged with a misdemeanor
 34 under ORS 446.990, due to:

35 (a) A failure of the tenant to properly perform the delegated duty during the term of the rental
 36 or lease of the tourist facility; or

37 (b) A failure of the landlord to inform the tenant of any delegated or nondelegated duty of the
 38 landlord or the tenant under ORS 446.310 to 446.350 or [*authority*] **department** rules.

39 (4) Subsection (3) of this section does not apply if the failure of a tenant to properly perform a
 40 delegated duty during the term of a rental or lease is due to a tourist facility condition already
 41 existing at the beginning of the term and constituting a nonconformance with ORS 446.310 to 446.350
 42 or [*authority*] **department** rules.

43 **SECTION 1175.** ORS 446.320 is amended to read:

44 446.320. (1) No person shall establish, operate, manage or maintain a tourist facility, without a
 45 license from the Director of the Oregon [*Health Authority*] **Department of Health**.

1 (2) Organizational camps operated under rental or leasehold agreements may be licensed either
2 to the landlord or to the tenant provided that the license holder shall be responsible for compliance
3 with ORS 446.310 to 446.350 and the rules adopted thereunder.

4 **SECTION 1176.** ORS 446.321 is amended to read:

5 446.321. (1) Every applicant for a license under ORS 446.320 shall pay to the Oregon [*Health*
6 *Authority*] **Department of Health** a fee established by the [*authority*] **department** by rule. The fee
7 may not exceed \$100, except that recreation parks shall pay an additional fee not to exceed \$3 for
8 each space.

9 (2) Rules adopted pursuant to subsection (1) of this section shall be adopted in accordance with
10 ORS chapter 183.

11 **SECTION 1177.** ORS 446.322 is amended to read:

12 446.322. Upon receipt of a completed application on an Oregon [*Health Authority*] **Department**
13 **of Health** form, required fee, and after representation by the applicant that the facility is in com-
14 pliance with the provisions of ORS 446.310 to 446.350, and the rules adopted pursuant thereto, and
15 the requirements of the Department of Consumer and Business Services, the [*authority*] **Oregon**
16 **Department of Health** shall issue a license, unless there is reason to believe noncompliance exists.

17 **SECTION 1178.** ORS 446.324 is amended to read:

18 446.324. (1) If any applicant for licensing or any person to whom a license has been issued fails
19 to comply with the provisions of ORS 446.310 to 446.350 or with the rules adopted pursuant thereto,
20 the Oregon [*Health Authority*] **Department of Health** may deny issuance of, suspend or revoke the
21 license or assess a civil penalty.

22 (2) Hearings on the denial, suspension or revocation of a license or on assessing a civil penalty
23 shall be conducted as a contested case in accordance with ORS chapter 183.

24 **SECTION 1179.** ORS 446.325 is amended to read:

25 446.325. (1) Persons and public bodies, as defined in ORS 174.109, that operate transitional
26 housing accommodations under ORS 197.746, timber companies and private utilities may not estab-
27 lish or operate a recreation park without complying with the rules of the Oregon [*Health*
28 *Authority*] **Department of Health** and securing the approval of the Director of the Oregon [*Health*
29 *Authority*] **Department of Health** or designee but are exempt from the licensing requirement of
30 ORS 446.320. The director or designee may delegate, to a health official having sufficient environ-
31 mental health specialists, the [*authority*] **department** to approve such recreation parks.

32 (2) ORS 446.310 to 446.350 do not apply to:

33 (a) Any structure designed for and occupied as a single family residence in which no more than
34 two sleeping rooms are provided on a daily or weekly basis for the use of no more than a total of
35 six travelers or transients at any one time for a charge or fee paid or to be paid for the rental or
36 use of the facilities;

37 (b) Any temporary camping sites used solely and incidentally in the course of backpacking,
38 hiking, horseback packing, canoeing, rafting or other expedition, unless the expedition is part of an
39 organizational camp program; or

40 (c) Transitional housing accommodations.

41 **SECTION 1180.** ORS 446.330 is amended to read:

42 446.330. In accordance with ORS chapter 183, the Oregon [*Health Authority*] **Department of**
43 **Health** may adopt any rules necessary for the administration of ORS 446.310 to 446.350 and 446.990,
44 including but not limited to rules, concerning the construction, operation and use of tourist facilities
45 that are necessary to protect the health and welfare of persons using these facilities. The rules shall

1 pertain but not be restricted to water supply, final sewage disposal, surface drainage, maintenance,
2 insect and rodent control, garbage disposal, designation and maintenance of camping space and the
3 cleanliness of the premises.

4 **SECTION 1181.** ORS 446.335 is amended to read:

5 446.335. (1) The Director of the Oregon [*Health Authority*] **Department of Health** or designee
6 may inspect every tourist facility to determine whether it conforms with ORS 446.310 to 446.350 and
7 the rules adopted pursuant thereto. A person operating such facility shall permit the director or
8 designee access to all of the facility at any reasonable time.

9 (2) The operator of a seasonal facility which customarily is closed for 120 days or more in any
10 12-month period shall notify the director in writing of the intention to reopen at the beginning of
11 a season. Notice shall be given at least 30 days prior to the reopening.

12 **SECTION 1182.** ORS 446.340 is amended to read:

13 446.340. (1) The owner or operator of a recreation park or organizational camp is responsible
14 for the sanitary condition of the park grounds and buildings.

15 (2) If sanitary facilities are not provided in a recreation park or organizational camp for the safe
16 disposal of sewage or other wastes from a camping vehicle, a notice shall be posted in a conspicuous
17 place stating that camping vehicles are permitted overnight only if the vehicle's waste holding tanks
18 are used.

19 (3) Notwithstanding ORS 446.330, the Oregon [*Health Authority*] **Department of Health** shall
20 not require an owner or operator of a recreation park or organizational camp to provide both toilets
21 and dumping stations.

22 **SECTION 1183.** ORS 446.345 is amended to read:

23 446.345. No person shall:

24 (1) Use kitchen or toilet facilities in a camping vehicle being operated on a highway or parked
25 overnight at a place where sanitary facilities are not provided unless the person makes provision
26 whereby sewage and other waste materials can be held in watertight and sanitary containers of a
27 type approved by the Oregon [*Health Authority*] **Department of Health**.

28 (2) Empty a container described in subsection (1) of this section except into a public sewerage
29 system, septic tank or cesspool of a type approved by the [*authority*] **department**. However, in
30 isolated areas where space is not available in a recreation park or organizational camp and such
31 facilities are not available, these containers may be emptied into the ground if all sewage and other
32 waste materials are buried at least one foot below the surface of the ground.

33 (3) When using a recreation park or organizational camp, create an insanitary condition or de-
34 posit putrescible or nonputrescible waste any place other than in appropriate containers designated
35 for such purposes.

36 **SECTION 1184.** ORS 446.347 is amended to read:

37 446.347. (1) In addition to any other penalty provided by law, any person who violates any rule
38 of the Oregon [*Health Authority*] **Department of Health** relating to the construction, operation or
39 maintenance of a tourist facility or part thereof may incur a civil penalty not to exceed \$1,000 per
40 violation.

41 (2) No civil penalty prescribed under subsection (1) of this section shall be imposed until the
42 person incurring the penalty has received five days' advance notice in writing from the [*authority*]
43 **department** or unless the person incurring the penalty shall otherwise have received actual notice
44 of the violation not less than five days prior to the violation for which a penalty is imposed.

45 **SECTION 1185.** ORS 446.348 is amended to read:

1 446.348. (1) The Director of the Oregon [*Health Authority*] **Department of Health** shall adopt
 2 by rule a schedule or schedules establishing the amount of civil penalty that may be imposed for a
 3 particular violation.

4 (2) The director may impose the penalty without hearing but only after the notice required by
 5 ORS 446.347 (2). In imposing a penalty pursuant to the schedule or schedules adopted pursuant to
 6 this section, the director shall consider the following factors:

7 (a) The past history of the person incurring a penalty in taking all feasible steps or procedures
 8 necessary or appropriate to correct any violation.

9 (b) Any prior violations of statutes, rules, orders and permits pertaining to the water system.

10 (c) The economic and financial conditions of the person incurring the penalty.

11 (3) The penalty imposed under this section may be remitted or mitigated upon such terms and
 12 conditions as the Oregon [*Health Authority*] **Department of Health** considers proper and consistent
 13 with the public health and safety.

14 **SECTION 1186.** ORS 446.350 is amended to read:

15 446.350. The Tourist Facility Account is established in the General Fund of the State Treasury.
 16 All moneys received under ORS 446.310 to 446.350 by the Director of the Oregon [*Health*
 17 *Authority*] **Department of Health** shall be credited to the Tourist Facility Account. All moneys in
 18 the account are appropriated continuously to the Oregon [*Health Authority*] **Department of Health**
 19 for the purpose of administering and enforcing ORS 446.310 to 446.350.

20 **SECTION 1187.** ORS 446.125 is amended to read:

21 446.125. A person may occupy a manufactured dwelling or a camping vehicle on private land
 22 with the consent of the owner of the land if:

23 (1) The lot, tract or parcel of land upon which the manufactured dwelling or camping vehicle
 24 is situated has an area adequate to provide safe, approved water supply and sewage disposal facili-
 25 ties and is not in conflict with ORS 446.310 [(9)] (7).

26 (2) The person complies with all applicable standards of sanitation, water, plumbing and elec-
 27 trical and sewerage installations prescribed by the laws of this state and the rules issued there-
 28 under, or by local authorities.

29 **SECTION 1188.** ORS 446.425 is amended to read:

30 446.425. (1) The Director of the Oregon [*Health Authority*] **Department of Health** shall delegate
 31 to any county board of commissioners which requests any of the duties and functions of the director
 32 under ORS 446.310, 446.320, 446.330 to 446.340, 446.345, 446.350 and 446.990 if the director deter-
 33 mines that the county is able to carry out the rules of the Oregon [*Health Authority*] **Department**
 34 **of Health** relating to fee collection, inspections, enforcement and issuance and revocation of permits
 35 and licenses in compliance with standards for enforcement by the counties and monitoring by the
 36 [*authority*] **department**. The [*authority*] **department** shall review and monitor each county's per-
 37 formance under this subsection. In accordance with ORS chapter 183, the director may suspend or
 38 rescind a delegation under this subsection. If it is determined that a county is not carrying out such
 39 rules or the delegation is suspended, the unexpended portion of the fees collected under subsection
 40 (2) of this section shall be available to the [*authority*] **department** for carrying out the duties and
 41 functions under this section.

42 (2) The county may determine the amount of, and retain, any fee for any function undertaken
 43 pursuant to subsection (1) of this section. The amount of the fees shall not exceed the costs of ad-
 44 ministering the inspection program. The county, quarterly, shall remit 15 percent of an amount equal
 45 to the state licensing fee or 15 percent of the county license fee whichever is less, to the

1 *[authority]* **department** for consultation service and maintenance of the statewide program.

2 (3) In any action, suit or proceeding arising out of county administration of functions pursuant
 3 to subsection (1) of this section and involving the validity of a rule adopted by the *[authority]* **de-**
 4 **partment**, the *[authority]* **department** shall be made a party to the action, suit or proceeding.

5 **SECTION 1189.** ORS 447.124 is amended to read:

6 447.124. For the purpose of enforcing ORS 447.118 and the rules adopted thereunder, the De-
 7 partment of Consumer and Business Services, with the assistance of the Oregon *[Health Authority]*
 8 **Department of Health:**

9 (1) May conduct periodic inspections of any compost toilet;

10 (2) Upon making a finding that a compost toilet is in violation of the rules adopted pursuant to
 11 ORS 447.118 (2), may issue an order requiring the owner of the dwelling served by the compost toilet
 12 to take action necessary to correct the violation; and

13 (3) Upon making a finding that a compost toilet presents or threatens to present a public health
 14 hazard creating an emergency requiring immediate action to protect the public health, safety or
 15 welfare, may issue an order requiring the owner of the dwelling served by the compost toilet to take
 16 any action necessary to remove such hazard or threat thereof. If such owner fails to take the actions
 17 required by such order, the Department of **Consumer and Business Services** shall take such
 18 action, itself or by contract with outside parties, as necessary to remove the hazard or threat
 19 thereof. The department shall keep a record of all necessary expenses incurred by the department
 20 in carrying out such action, including a reasonable charge for costs incurred and equipment and
 21 materials utilized by the state. Any owner who fails to take action required by an order issued under
 22 this subsection shall be responsible for such necessary expenses incurred by the state. Based on the
 23 record compiled by the department, an owner responsible for expenses due to the failure of a man-
 24 ufacturer, distributor or person to comply with the rules adopted under ORS 447.118 (2) shall have
 25 a setoff against the bond or other security forfeited under ORS 447.118 (3) to the extent that such
 26 expenses are due to such failure of the manufacturer, distributor or person. The department shall
 27 make a finding and enter an order against the owner for the necessary expenses. Orders issued un-
 28 der this section may be appealed pursuant to ORS chapter 183 but not as a contested case. Any
 29 amount due the department under this subsection and not paid in full within 30 days after the order
 30 is entered, or, if the order is appealed, within 30 days after there is no further right to appeal, shall
 31 become a lien upon the dwelling of the owner. The department shall file a notice of the lien with
 32 the recording officer of the county in which the dwelling is located and the recording officer shall
 33 record the notice in a manner designed to appear in the mortgage records of the county.

34 (4) The Department of **Consumer and Business Services** may contract with any state or local
 35 agency for the purpose of carrying out the provisions of this section.

36 **SECTION 1190.** ORS 448.005 is amended to read:

37 448.005. As used in ORS 448.005 to 448.090, unless the context requires otherwise:

38 [(1) "Authority" means the Oregon Health Authority.]

39 [(2)] (1) "Bathhouse" means a structure that contains dressing rooms, showers and toilet facili-
 40 ties for use with an adjacent public swimming pool.

41 [(3) "Director" means the Director of the Oregon Health Authority.]

42 [(4)] (2) "Person" has the meaning given that term in ORS 174.100, but also includes munici-
 43 palities, recreation districts, counties and state agencies or instrumentalities.

44 [(5)] (3) "Public spa pool" means a public swimming pool or wading pool designed primarily to
 45 direct water or air-enriched water under pressure onto the bather's body with the intent of

1 producing a relaxing or therapeutic effect.

2 [(6)] (4) “Public swimming pool” means an artificial structure, and its appurtenances, that con-
3 tains water more than two feet deep, is expressly designated or used with the knowledge and con-
4 sent of the owner or operator for swimming or recreational bathing, and is for the use of any
5 segment of the public. “Public swimming pool” includes, but is not limited to, swimming pools owned
6 or operated by:

- 7 (a) Travelers’ accommodations;
- 8 (b) Recreation parks;
- 9 (c) Colleges;
- 10 (d) Schools;
- 11 (e) Organizational camps as defined in ORS 446.310;
- 12 (f) Clubs;
- 13 (g) Associations;
- 14 (h) Business establishments for their patrons or employees;
- 15 (i) Private persons and that are open to the public;
- 16 (j) Recreation districts;
- 17 (k) Municipalities;
- 18 (L) Counties; or
- 19 (m) State agencies.

20 [(7)] (5) “Public wading pool” means an artificial structure, and its appurtenances, that contains
21 water less than two feet deep, is expressly designated or used with the knowledge and consent of
22 the owner or operator for wading or recreational bathing, and is for the use of any segment of the
23 public, whether limited to patrons of a companion facility or not.

24 [(8)] (6) “Recreation park” means those facilities as defined by ORS 446.310.

25 [(9)] (7) “Travelers’ accommodation” means those facilities as defined by ORS 446.310.

26 [(10)] (8) “Variance” means written permission from the [authority] **Oregon Department of**
27 **Health** for a public swimming pool, public spa pool or public wading pool to be operated when it
28 does not comply with all the applicable rules for public swimming pools, public spa pools or public
29 wading pools.

30 **SECTION 1191.** ORS 448.011 is amended to read:

31 448.011. The Oregon [Health Authority] **Department of Health** shall adopt rules pertaining to
32 construction plan submission, plan approval, design, construction, size, shape, purification equip-
33 ment, piping, operation, sanitation and accident prevention for public swimming pools, public spa
34 pools, public wading pools and bathhouses as the [authority] **department** deems necessary.

35 **SECTION 1192.** ORS 448.020 is amended to read:

36 448.020. A person may not construct or perform a major alteration or reconstruction of a public
37 swimming pool, public spa pool, public wading pool or bathhouse without plan approval to do so
38 from the Oregon [Health Authority] **Department of Health**.

39 **SECTION 1193.** ORS 448.030 is amended to read:

40 448.030. (1) Any person desiring to construct any public swimming pool, public spa pool, public
41 wading pool or bathhouse shall file an application for plan approval with the Oregon [Health Au-
42 thority] **Department of Health**.

43 (2) The application must be accompanied by a description of the sources of water supply, amount
44 and quality of water available and intended to be used, method and manner of water purification,
45 treatment, disinfection, heating, regulating and cleaning, lifesaving apparatus, and measures to en-

1 sure safety of bathers, measures to ensure personal cleanliness of bathers, methods and manner of
 2 washing, disinfecting, drying and storing bathing apparel and towels, and all other information and
 3 statistics that may be required by the [authority] **department**. The [authority] **department** shall
 4 either approve or deny the application based upon the plans submitted.

5 (3) After construction, the [authority] **department** shall cause an inspection to be made of the
 6 proposed public swimming pool, public spa pool, public wading pool or bathhouse. If the [authority]
 7 **department** determines that the public swimming pool, public spa pool, public wading pool or
 8 bathhouse as constructed complies with the rules of the [authority] **department**, it shall issue a final
 9 approval authorizing the issuance of a license under ORS 448.035.

10 (4) If a public swimming pool, public spa pool, public wading pool or bathhouse is to be owned,
 11 operated or maintained by a person for profit, or in conjunction with a travelers' accommodation
 12 or recreation park, the applicant shall pay the [authority] **department** a plan review fee of \$600.
 13 Payment of the plan review fee entitles the applicant to two inspections toward final approval. The
 14 [authority] **department** may not impose any new standards after a second or any subsequent in-
 15 spection. For any subsequent construction inspection necessary, the applicant shall pay \$100 for
 16 each inspection.

17 **SECTION 1194.** ORS 448.035 is amended to read:

18 448.035. (1) A person may not operate or maintain a public swimming pool, public spa pool,
 19 public wading pool or bathhouse without a license to do so from the Oregon [Health Authority]
 20 **Department of Health**.

21 (2) An annual fee of \$275 shall be paid for a license to operate a public swimming pool, public
 22 spa pool, public wading pool or bathhouse. The annual license fee for each additional public swim-
 23 ming pool, public spa pool, public wading pool or bathhouse, or any combination of those facilities,
 24 on the same site is 60 percent of the fee for the first license.

25 (3) Licenses issued under this section expire annually on a date set by rule.

26 **SECTION 1195.** ORS 448.037 is amended to read:

27 448.037. (1) A person applying for a variance shall submit a variance application accompanied
 28 by a fee of \$480 to the Oregon [Health Authority] **Department of Health**. If the [authority] **de-**
 29 **partment** approves the application, the [authority] **department** shall grant a variance, stating the
 30 terms and conditions of the variance.

31 (2) The [authority] **department** may waive the fee for variance applications precipitated by
 32 change in the [authority's] **authority's** rules.

33 (3) The [authority] **department** may not delegate the responsibility under subsection (1) of this
 34 section under the provision of ORS 448.100.

35 **SECTION 1196.** ORS 448.040 is amended to read:

36 448.040. For the purposes of ORS 448.005 to 448.090, the Director of the Oregon [Health Au-
 37 **thority] Department of Health** may at all reasonable times enter upon any part of the premises of
 38 public bathing and swimming places to make examination and investigation to determine the sani-
 39 tary conditions of such places and whether ORS 448.005 to 448.090 or the rules of the Oregon
 40 [Health Authority] **Department of Health** pertaining to public swimming pools, public spa pools,
 41 public wading pools or bathhouses are being violated.

42 **SECTION 1197.** ORS 448.051 is amended to read:

43 448.051. (1) The Director of the Oregon [Health Authority] **Department of Health** shall inspect
 44 all public swimming pools, public spa pools, public wading pools and bathhouses to determine the
 45 sanitary conditions of such places and whether ORS 448.005 to 448.090 and the rules of the Oregon

1 [Health Authority] **Department of Health** pertaining to public swimming pools, public spa pools,
2 public wading pools and bathhouses are being violated.

3 (2) If the director determines that a public swimming pool, public spa pool, public wading pool
4 or bathhouse is being constructed, operated or maintained in violation of the rules of the
5 [authority] **department** or is found to be insanitary, unclean or dangerous to public health or safety,
6 the director may suspend, revoke or deny the permit or plan approval issued under ORS 448.030 or
7 license issued under ORS 448.035 in accordance with ORS chapter 183.

8 **SECTION 1198.** ORS 448.060 is amended to read:

9 448.060. (1) A public swimming pool, public spa pool, public wading pool or bathhouse may not
10 remain open to the public after the permit, plan approval or license to operate the facility has been
11 suspended, denied or revoked.

12 (2) Any public swimming pool, public spa pool, public wading pool or bathhouse constructed,
13 operated or maintained contrary to ORS 448.005 to 448.090 is a public nuisance, dangerous to health.
14 Such nuisance may be abated or enjoined in an action brought by the Director of the Oregon [Health
15 Authority] **Department of Health** or may be summarily abated in the manner provided by law for
16 the summary abatement of public nuisances dangerous to health.

17 **SECTION 1199.** ORS 448.100 is amended to read:

18 448.100. (1) The Director of the Oregon [Health Authority] **Department of Health** shall delegate
19 to any county board of commissioners that requests any of the duties and functions of the director
20 under ORS 448.005, 448.011, 448.020 to 448.035 and 448.040 to 448.060 and this section if the director
21 determines that the county is able to carry out the rules of the Oregon [Health Authority] **Depart-**
22 **ment of Health** relating to fee collection, licensing, inspections, enforcement and issuance and re-
23 vocation of plan approvals and licenses in compliance with standards for enforcement by the
24 counties and monitoring by the [authority] **department**. The [authority] **department** shall review
25 and monitor each county's performance under this subsection. In accordance with ORS chapter 183,
26 the director may suspend or rescind a delegation under this subsection. If it is determined that a
27 county is not carrying out such rules or the delegation is suspended, the unexpended portion of the
28 fees collected under subsection (2) of this section shall be available to the [authority] **department**
29 for carrying out the duties and functions under this section.

30 (2) The county may determine the amount of, and retain, any fee for any function undertaken
31 pursuant to subsection (1) of this section or use the fee amounts established under ORS 448.030 and
32 448.035. A county to whom licensing, inspection and enforcement authority has been delegated under
33 this section shall collect and remit to the [authority] **department** a fee to support the activities of
34 the [authority] **department** under this section. The fee shall be established by the [authority] **de-**
35 **partment** and the Conference of Local Health Officials based upon a budget and formula for funding
36 activities described in this section. The [authority] **department** and the Conference of Local Health
37 Officials shall consult with associations representing Oregon cities, special districts and the lodging
38 industry in establishing the fee. In the event the [authority] **department** and the Conference of Lo-
39 cal Health Officials cannot reach agreement on the budget and formula, the [authority] **department**
40 shall submit its budget proposal to the Legislative Assembly.

41 (3) In any action, suit or proceeding arising out of county administration of functions pursuant
42 to subsection (1) of this section and involving the validity of a rule promulgated by the [authority]
43 **department**, the [authority] **department** shall be made a party to the action, suit or proceeding.

44 **SECTION 1200.** ORS 448.115 is amended to read:

45 448.115. As used in ORS 448.115 to 448.285, 454.235 and 454.255 unless the context requires

1 otherwise:

2 [(1) “Authority” means the Oregon Health Authority.]

3 [(2)] (1) “Connection” means the connection between a water system and a customer that ena-
4 bles the customer to receive potable water from the system.

5 [(3)] (2) “Construction standards” means criteria for constructing or installing water system fa-
6 cilities.

7 [(4) “Director” means the Director of the Oregon Health Authority.]

8 [(5)] (3) “Emergency” means a condition resulting from an unusual calamity such as a flood, an
9 earthquake or an accidental spill of hazardous material that can endanger the quality of the water
10 produced by a water system.

11 [(6)] (4) “Operational requirements” means requirements that prescribe the manner in which
12 water systems must be operated.

13 [(7)] (5) “Permit” means a document issued to a water system that authorizes it to commence
14 or continue to operate in the State of Oregon and lists the conditions the system must meet to
15 continue operating.

16 [(8)] (6) “Safe drinking water” means water that is sufficiently free from biological, chemical,
17 radiological or physical impurities such that individuals will not be exposed to disease or harmful
18 physiological effects.

19 [(9)] (7) “Sanitary survey” means an on-site review of the source, facilities, equipment, operation
20 and maintenance of a water system, including related land uses, for the purpose of evaluating the
21 capability of that water system to produce and distribute safe drinking water.

22 [(10)] (8) “Special master” means the person appointed by the court to administrate the water
23 system.

24 [(11)] (9) “Variance” means permission from [the agency for a water system to provide water that
25 does not meet water quality standards.

26 [(12)] (10) “Water supplier” means any person, group of persons, municipality, district, corpo-
27 ration or entity that owns or operates a water system.

28 [(13)] (11) “Water system” means a system for the provision of water for human consumption
29 through pipes or other constructed conveyances.

30 [(14)] (12) “Waterborne disease” means disease caused by chemical, physical, radiological or bi-
31 ological agents epidemiologically associated with infection, illness or disability that is transported
32 to human beings by water that has been ingested or through contact as in bathing or other domestic
33 uses.

34 **SECTION 1201.** ORS 448.119 is amended to read:

35 448.119. Before a water system is subject to regulation under ORS 448.119 to 448.285, 454.235
36 and 454.255, the system must have at least four service connections, or it must serve water to public
37 or commercial premises which are used by an average of at least 10 individuals daily at least 60
38 days each year. In a housing subdivision of four or more living units where the water service con-
39 nections of individual units are only two or three per water system, at the discretion of the Director
40 of the Oregon [Health Authority] **Department of Health**, the Oregon [Health Authority] **Depart-**
41 **ment of Health** may regulate the water systems within the subdivision under ORS 448.119 to
42 448.285, 454.235 and 454.255.

43 **SECTION 1202.** ORS 448.123 is amended to read:

44 448.123. (1) It is the purpose of ORS 448.119 to 448.285, 454.235 and 454.255 to:

45 (a) Ensure that all Oregonians have safe drinking water.

1 (b) Provide a simple and effective regulatory program for drinking water systems.

2 (c) Provide a means to improve inadequate drinking water systems.

3 (2) In carrying out the purpose set forth in subsection (1) of this section, the Oregon [*Health*
4 *Authority*] **Department of Health** shall act in accordance with the goal set forth in ORS 468B.155.

5 (3) If, in carrying out any duty prescribed by law, the [*authority*] **department** acquires infor-
6 mation related to ground water quality in Oregon, the [*authority*] **department** shall forward a copy
7 of the information to the centralized repository established pursuant to ORS 468B.167.

8 **SECTION 1203.** ORS 448.131 is amended to read:

9 448.131. (1) The Oregon [*Health Authority*] **Department of Health** shall adopt water quality
10 standards that are necessary to protect the public health through insuring safe drinking water
11 within a water system.

12 (2) In order to insure safe drinking water, the [*authority*] **department** shall prescribe:

13 (a) Construction standards governing the performance of a water system insofar as they relate
14 to the safety of drinking water.

15 (b) Standards for the operation of water systems insofar as they relate to the delivery of safe
16 drinking water.

17 (c) Other standards and requirements considered necessary by the [*authority*] **department** to
18 insure safe drinking water.

19 (3) The [*authority*] **department** shall require that construction and installation plans be sub-
20 mitted and approved before construction begins on new systems or substantial improvements are
21 made to old systems. The [*authority*] **department** may adopt rules exempting certain water systems
22 from the plan review process.

23 (4) The [*authority*] **department** may impose and collect a fee from a water supplier for reviewing
24 construction and installation plans.

25 (5) Nothing in this section authorizes the [*authority*] **department** to require alterations of ex-
26 isting facilities unless alterations are necessary to insure safe drinking water.

27 **SECTION 1204.** ORS 448.135 is amended to read:

28 448.135. (1) The Oregon [*Health Authority*] **Department of Health** may grant variances from
29 standards if:

30 (a) There is no unreasonable risk to health;

31 (b) The water supplier has provided sufficient evidence to confirm that the best available treat-
32 ment techniques are unable to treat the water in question so that it meets maximum contaminant
33 levels;

34 (c) The water supplier agrees to notify the customers of the water supplier at appropriate in-
35 tervals, as determined by the [*authority*] **department**, why the water system is, or remains, out of
36 compliance with standards;

37 (d) The water supplier agrees to adhere to a compliance schedule, if the [*authority*] **department**
38 prescribes one, which outlines how the water supplier intends to achieve compliance with standards.
39 If a schedule is prescribed, it must be reviewed and evaluated every three years; and

40 (e) The [*authority*] **department** has announced its intention to grant a variance and has either:

41 (A) Held a public hearing in the affected area prior to granting the variance; or

42 (B) Served notice of intent to grant the variance either personally, or by registered or certified
43 mail to all customers connected to the water system, or by publication in a newspaper in general
44 circulation in the area. If no hearing is requested within 10 days of the date that notice is given,
45 the [*authority*] **department** may grant the variance.

1 (2) The [authority] **department** may grant variances from standards requiring the use of a
2 specified water treatment technique if the [authority] **department**:

3 (a) Determines that the use of a specified water treatment technique is not necessary to protect
4 the public health based on the nature of the raw water source for a public water system;

5 (b) Has conditioned the variance as required by the federal Safe Drinking Water Act, 42 U.S.C.
6 300g-4;

7 (c) Has announced its intent to grant a variance and has either:

8 (A) Held a public hearing in the area prior to granting the variance; or

9 (B) Served notice of intent to grant the variance either personally, or by registered or certified
10 mail to all customers connected to the water system, or by publication in a newspaper in general
11 circulation in the area. If no hearing is requested within 10 days of the date that notice is given,
12 the [authority] **department** may grant the variance; and

13 (d) Promptly notifies the administrator of the United States Environmental Protection Agency
14 of any variance granted, as required by the federal Safe Drinking Water Act, 42 U.S.C. 300g-4.

15 **SECTION 1205.** ORS 448.140 is amended to read:

16 448.140. A water system that does not comply with the rules and standards of the Oregon
17 [Health Authority] **Department of Health** shall be operated only after the water supplier has re-
18 ceived a permit for the system from the [authority] **department** if:

19 (1) The [authority] **department** has not granted a variance from standards as provided under
20 ORS 448.135 to the water supplier; and

21 (2) The water system is providing water that does not meet maximum contaminant standards as
22 determined by an investigation conducted by the [authority] **department** under ORS 448.150.

23 **SECTION 1206.** ORS 448.145 is amended to read:

24 448.145. (1) A permit shall be issued by the Oregon [Health Authority] **Department of Health**
25 when there are economic or other compelling factors such that the water supplier is unable to in-
26 stall the water treatment facilities or to meet the maximum contaminant levels.

27 (2) The [authority] **department** shall prescribe a compliance schedule, including interim meas-
28 ures to eliminate the risk to health, which sets a specific time limit for the water supplier operating
29 on a permit to install the water treatment facilities or to meet the maximum contaminant levels.

30 (3) For so long as the water supplier operates on a permit, the water supplier must notify its
31 customers at least once every three months why the water system is, or remains, out of compliance.

32 (4) When the [authority] **department** announces its intention to grant a permit, the [authority]
33 **department** shall:

34 (a) Hold a public hearing in the affected area prior to granting the permit; or

35 (b) Serve notice of intent to issue the permit either personally, or by registered or certified mail
36 to all customers connected to the water system, or by publication in a newspaper in general circ-
37 ulation in the area. If no hearing is requested within 10 days of the date that notice is given, the
38 [authority] **department** may finalize the permit.

39 (5) The document evidencing the permit shall contain a statement of the conditions under which
40 the water system may operate.

41 **SECTION 1207.** ORS 448.150 is amended to read:

42 448.150. (1) The Oregon [Health Authority] **Department of Health** shall:

43 (a) Conduct periodic sanitary surveys of drinking water systems and sources, take water samples
44 and inspect records to ensure that the systems are not creating an unreasonable risk to health. The
45 [authority] **department** shall provide written reports of the examinations to water suppliers and to

1 local public health administrators, as defined in ORS 431.003.

2 (b) Require regular water sampling by water suppliers to determine compliance with water
3 quality standards established by the [authority] **department**. These samples shall be analyzed in a
4 laboratory approved by the [authority] **department**. The results of the laboratory analysis of a
5 sample shall be reported to the [authority] **department** by the water supplier, unless direct labora-
6 tory reporting is authorized by the water supplier. The laboratory performing the analysis shall re-
7 port the validated results of the analysis directly to the [authority] **department** and to the water
8 supplier if the analysis shows that a sample contains contaminant levels in excess of any maximum
9 contaminant level specified in the water quality standards.

10 (c) Investigate any water system that fails to meet the water quality standards established by
11 the [authority] **department**.

12 (d) Require every water supplier that provides drinking water that is from a surface water
13 source to conduct sanitary surveys of the watershed as may be considered necessary by the [au-
14 thority] **department** for the protection of public health. The water supplier shall make written re-
15 ports of such sanitary surveys of watersheds promptly to the [authority] **department** and to the
16 local health department.

17 (e) Investigate reports of waterborne disease pursuant to ORS 431.001 to 431.550 and 431.990 and
18 take necessary actions as provided for in ORS 446.310, 448.030, 448.115 to 448.285, 454.235, 454.255
19 and 455.680 to protect the public health and safety.

20 (f) Notify the Department of Environmental Quality of a potential ground water management
21 area if, as a result of its water sampling under paragraphs (a) to (e) of this subsection, the
22 [authority] **Oregon Department of Health** detects the presence in ground water of:

23 (A) Nitrate contaminants at levels greater than 70 percent of the levels established pursuant to
24 ORS 468B.165; or

25 (B) Any other contaminants at levels greater than 50 percent of the levels established pursuant
26 to ORS 468B.165.

27 (2) The notification required under subsection (1)(f) of this section shall identify the substances
28 detected in the ground water and all ground water aquifers that may be affected.

29 (3)(a) The [authority] **Oregon Department of Health** by rule may adopt a schedule of fees to
30 be assessed on water suppliers to partially defray the costs of the [authority] **department** related
31 to performance of the duties prescribed by this section and ORS 448.155 (1), 448.175 (1) and 448.255.
32 The fee schedule shall be graduated based on the size and type of the water system owned or op-
33 erated by a water supplier.

34 (b) Not more than once each calendar year, the [authority] **department** may increase the fees
35 established by rule under this subsection. The amount of the annual increase may not exceed the
36 anticipated increase in the costs of the [authority] **department** related to performance of the duties
37 prescribed by this section and ORS 448.155 (1), 448.175 (1) and 448.255 or three percent, whichever
38 is lower.

39 **SECTION 1208.** ORS 448.153 is amended to read:

40 448.153. (1) The State Drinking Water Advisory Committee is created to advise and assist the
41 Oregon [Health Authority] **Department of Health** on policies related to the protection, safety and
42 regulation of public drinking water in Oregon.

43 (2) The committee created under this section shall consist of 15 members appointed by the
44 Public Health Officer. The officer shall make the appointments after considering nominees from:

45 (a) Public water systems of cities with a population greater than 100,000;

- 1 (b) Privately owned water systems;
- 2 (c) Environmental advocacy groups;
- 3 (d) The American Council of Engineering Companies of Oregon;
- 4 (e) The Conference of Local Health Officials created by ORS 431.330;
- 5 (f) The League of Oregon Cities;
- 6 (g) The League of Women Voters of Oregon;
- 7 (h) The Oregon Association of Water Utilities;
- 8 (i) The Oregon Environmental Health Association;
- 9 (j) The Oregon Environmental Laboratory Association;
- 10 (k) The Pacific Northwest Section of the American Water Works Association;
- 11 (L) The Special Districts Association of Oregon;
- 12 (m) Organizations representing plumbers or backflow testers;
- 13 (n) Water consumers; and
- 14 (o) Watershed councils.

15 (3) The committee shall adopt rules to govern its proceedings and shall select a chair and any
 16 other officers it considers necessary.

17 (4) The members shall be appointed to serve for terms of three years. A vacancy on the com-
 18 mittee shall be filled by appointment by the Public Health Officer for the unexpired term.

19 (5) The committee shall meet regularly four times a year at times and places fixed by the chair
 20 of the committee. The committee may meet at other times specified by the chair or a majority of the
 21 members of the committee.

22 (6) The Oregon [*Health Authority*] **Department of Health** shall provide assistance and space for
 23 meetings as requested by the chair of the committee.

24 (7) Members of the committee shall be entitled to actual and necessary expenses as provided by
 25 ORS 292.495 (2).

26 **SECTION 1209.** ORS 448.155 is amended to read:

27 448.155. The Oregon [*Health Authority*] **Department of Health**:

28 (1) May provide technical assistance and organize, coordinate and conduct training for water
 29 system personnel.

30 (2) Shall conduct a program designed to stimulate public participation in matters relating to
 31 water systems through public presentations, dissemination of informational materials and other
 32 similar efforts.

33 **SECTION 1210.** ORS 448.160 is amended to read:

34 448.160. (1) The Oregon [*Health Authority*] **Department of Health** shall maintain a plan outlin-
 35 ing actions to be taken by the [*authority*] **department** during emergencies relating to water systems.

36 (2) The [*authority*] **department** may require that a water supplier compile an emergency plan
 37 if it appears necessary to the Director of the Oregon [*Health Authority*] **Department of Health**.

38 **SECTION 1211.** ORS 448.165 is amended to read:

39 448.165. (1) Counties may develop water service plans. These plans should encourage small water
 40 systems to combine management functions and to consolidate where possible. Water service plans
 41 must be in keeping with county land use plans.

42 (2) Cities or counties, whichever have authority to issue building permits, must certify that the
 43 Oregon [*Health Authority*] **Department of Health** has approved the construction and installation
 44 plans of a proposed water system development and the development plan does not violate city or
 45 county water service plans before issuing a building permit.

1 (3) Counties or boundary commissions are authorized to approve the formation, consolidation
2 and expansion of water systems not owned by cities in keeping with county and city plans. In doing
3 so, counties or boundary commissions should consider whether water service is extended in a logical
4 fashion and water systems have a financial base sufficient for operation and maintenance.

5 **SECTION 1212.** ORS 448.170 is amended to read:

6 448.170. (1) The Oregon [*Health Authority*] **Department of Health** may enter into an agreement
7 with a local public health authority, as defined in ORS 431.003, under which the local public health
8 authority performs the duties of the Oregon [*Health Authority*] **Department of Health** under the
9 Oregon Drinking Water Quality Act. The duration of the agreement, the duties to be performed and
10 the remuneration to be paid by the Oregon [*Health Authority*] **Department of Health** are subject
11 to agreement by the Oregon [*Health Authority*] **Department of Health** and the local public health
12 authority.

13 (2) In any action, suit or proceeding arising out of a local public health authority's adminis-
14 tration of functions pursuant to ORS 446.310, 448.030, 448.115 to 448.285, 454.235, 454.255, 455.170
15 and 757.005 and involving the validity of a rule adopted by the Oregon [*Health Authority*] **Depart-**
16 **ment of Health**, the Oregon [*Health Authority*] **Department of Health** shall be made a party to the
17 action, suit or proceeding.

18 **SECTION 1213.** ORS 448.175 is amended to read:

19 448.175. Subject to ORS chapter 183, the Oregon [*Health Authority*] **Department of Health**:

20 (1) Shall require that the water suppliers give public notice of violations in the water system.

21 (2) May refuse to allow expansion of or additional connections to a water system until the water
22 system meets water quality standards and requirements.

23 (3) May enter an order requiring a water supplier to acquire or construct a water system that
24 provides water that meets the [*authority's*] **department's** standards. When the order requires a city
25 to acquire a water system, the system must have the majority of its facilities within the city's
26 adopted urban growth boundary. When the order is entered upon a city, the procedure described
27 in ORS 454.235 to 454.255 shall be followed.

28 (4) May enter an order requiring a water supplier that fails to comply with the schedule pre-
29 scribed under ORS 448.140 to cease operation of the water system.

30 **SECTION 1214.** ORS 448.180 is amended to read:

31 448.180. The Oregon [*Health Authority*] **Department of Health** may grant waivers on con-
32 struction standards if the [*authority*] **department** is satisfied there will be no unreasonable risk to
33 health.

34 **SECTION 1215.** ORS 448.250 is amended to read:

35 448.250. (1) Whenever a water system or part thereof presents or threatens to present a public
36 health hazard requiring immediate action to protect the public health, safety and welfare, the Di-
37 rector of the Oregon [*Health Authority*] **Department of Health** may request the district attorney
38 of the county wherein the system is located to institute an action. The action may be commenced
39 without the necessity of prior administrative procedures or hearing and entry of an order or at any
40 time during such administrative proceedings, if such proceedings have been commenced. The action
41 may petition for a mandatory injunction compelling the water supplier to cease and desist operation
42 or to make such improvements and corrections as are necessary to remove the public health hazard
43 or threat thereof.

44 (2)(a) If the water supplier refuses to comply with the order of the court, in addition to other
45 remedies, the court may appoint a special master to operate the water system. Costs of operation

1 and improvement during operation by the special master are to be charged to the water supplier and
2 may be collected by impounding revenue due to the water supplier from customers of the supplier;
3 or, if those funds are insufficient, from other revenues due to the water supplier.

4 (b) The court may require sale of a water system under a special master to a responsible party
5 if the water supplier refuses to comply with the standards and requirements of the Oregon [*Health*
6 *Authority*] **Department of Health**.

7 (3) Cases filed under provisions of this section or any appeal therefrom shall be given preference
8 on the docket over all other civil cases except those given an equal preference by statute.

9 (4) Nothing in this section is intended to prevent the maintenance of actions for legal or equi-
10 table remedies relating to private or public nuisance or for recovery of damages brought by private
11 persons or by the state on relation of any person.

12 **SECTION 1216.** ORS 448.255 is amended to read:

13 448.255. (1) Whenever the Director of the Oregon [*Health Authority*] **Department of Health** has
14 reasonable grounds to believe that a water system or part thereof is being operated or maintained
15 in violation of any rule adopted pursuant to ORS 448.115 to 448.285, 454.235 and 454.255, the director
16 shall give written notice to the water supplier responsible for the system.

17 (2) The notice required under subsection (1) of this section shall include the following:

18 (a) Citation of the rule allegedly violated;

19 (b) The manner and extent of the alleged violation; and

20 (c) A statement of the party's right to request a hearing.

21 (3) The notice shall be served personally or by registered or certified mail and shall be accom-
22 panied by an order of the director requiring remedial action which, if taken within the time specified
23 in the order, will effect compliance with the rule allegedly violated. The order shall become final
24 unless request for hearing is made by the party receiving the notice within 10 days from the date
25 of personal service or the date of mailing of the notice.

26 (4) The form of petition for hearing and the procedures employed in the hearing shall be con-
27 sistent with the requirements of ORS chapter 183 and shall be in accordance with rules adopted by
28 the Oregon [*Health Authority*] **Department of Health**.

29 (5) Hearings under this section shall be conducted by an administrative law judge assigned from
30 the Office of Administrative Hearings established under ORS 183.605.

31 (6) The order shall be affirmed or reversed by the director after hearing. A copy of the director's
32 decision setting forth findings of fact and conclusions shall be sent by registered or certified mail
33 to the petitioner or served personally upon the petitioner. An appeal from such decision may be
34 made as provided in ORS 183.480 relating to a contested case.

35 **SECTION 1217.** ORS 448.268 is amended to read:

36 448.268. If, as a result of its activities under ORS 448.150, the Oregon [*Health Authority*] **De-**
37 **partment of Health** confirms the presence in ground water drinking water supplies of contaminants
38 resulting at least in part from suspected nonpoint source activities, the [*authority*] **department** shall
39 declare an area of ground water concern. The declaration shall identify the substances confirmed
40 in the ground water and all ground water aquifers that may be affected.

41 **SECTION 1218.** ORS 448.271 is amended to read:

42 448.271. (1) In any transaction for the sale or exchange of real estate that includes a well that
43 supplies ground water for domestic purposes, the seller of the real estate shall, upon accepting an
44 offer to purchase that real estate, have the well tested for arsenic, nitrates and total coliform bac-
45 teria. The Oregon [*Health Authority*] **Department of Health** also may, by rule, require additional

1 tests for specific contaminants in specific areas of public health concern. The seller shall submit the
2 results of the tests required under this section to the [authority] **department** and to the buyer
3 within 90 days of receiving the results of the tests.

4 (2) The failure of a seller to comply with the provisions of this section does not invalidate an
5 instrument of conveyance executed in the transaction.

6 **SECTION 1219.** ORS 448.273 is amended to read:

7 448.273. The Legislative Assembly finds that an agreement between this state and the federal
8 government to assume primary enforcement responsibility in this state for the federal Safe Drinking
9 Water Act is in the best interest of this state, subject to the following assumptions:

10 (1) The federal government provides an annual program grant in an amount no less than that
11 allocated for the state in the 1984 fiscal year.

12 (2) The federal government provides technical assistance to this state, as requested, in emer-
13 gency situations and during outbreaks of waterborne diseases.

14 (3) The federal government must negotiate an annual work plan for the Oregon [Health Au-
15 thority] **Department of Health** that can be accomplished within the amount of program grant
16 funding available.

17 (4) The [authority] **department** adopts standards no less stringent than the National Primary
18 Drinking Water Regulations of the United States Environmental Protection Agency.

19 (5) The [authority] **department** provides engineering assistance through regional offices in at
20 least four geographically distributed areas in this state.

21 (6) In cooperation with representatives of local health departments, the [authority] **Oregon De-**
22 **partment of Health** develops an equitable formula for distribution of available funds to support
23 local health department water programs.

24 (7) The primacy agreement may be canceled by the [authority] **Oregon Department of Health**,
25 upon 90 days' notice, if at any time the federal requirements exceed the amount of federal funding
26 and the cancellation is approved by the legislative review agency as defined in ORS 291.371 (1).

27 (8) The federal government can impose financial sanctions against this state if the state fails to
28 meet the objectives of the annual negotiated work plan without reasonable explanation by tying the
29 next annual funding to specific state production and by withholding of funds a possibility if contin-
30 ued unexplained failures occur but no sanction exists to interfere with other types of federal funding
31 in this state.

32 (9) The federal government may seek to enforce the safe drinking water standards if this state
33 fails to take timely compliance action against a public water system that violates such standards.

34 (10) Enforcement under subsection (9) of this section may be by injunctive relief or, in the case
35 of willful violation, civil penalties authorized by 42 U.S.C. 300g-3(a) and (b).

36 **SECTION 1220.** ORS 448.277 is amended to read:

37 448.277. The Oregon [Health Authority] **Department of Health** is authorized to enter into an
38 agreement with the federal government to administer the federal Safe Drinking Water Act in this
39 state. The agreement is subject to the legislative assumption stated in ORS 448.273. The agreement
40 shall remain in effect subject to annual renegotiation of the duties to be performed and the
41 remuneration to be received by the [authority] **department** except that it may be canceled by the
42 [authority] **department**, upon 90 days' notice, if at any time the federal requirements exceed the
43 amount of federal funding and the cancellation is approved by the legislative review agency as de-
44 fined in ORS 291.371 (1).

45 **SECTION 1221.** ORS 448.278 is amended to read:

1 448.278. (1) The Oregon [*Health Authority*] **Department of Health** shall establish a program for
2 regulating cross-connections and the backflow assemblies that are part of a water system.

3 (2) The [*authority*] **department** may assess an annual fee on community water systems for the
4 purpose of implementing the cross-connection and backflow assembly program established pursuant
5 to this section. The fee may not exceed:

- 6 (a) \$30 for a water system that has 15 to 99 service connections;
- 7 (b) \$75 for a water system that has 100 to 999 service connections;
- 8 (c) \$200 for a water system that has 1,000 to 9,999 service connections; or
- 9 (d) \$350 for a water system that has 10,000 or more service connections.

10 **SECTION 1222.** ORS 448.279 is amended to read:

11 448.279. (1) The Oregon [*Health Authority*] **Department of Health** by rule shall establish a
12 certification program for persons who inspect cross-connections or test backflow assemblies. The
13 program shall include minimum qualifications necessary for a person to be certified to:

- 14 (a) Conduct a cross-connection inspection; and
- 15 (b) Test a backflow assembly.

16 (2) Except for an employee of a water supplier as defined in ORS 448.115, a person certified
17 under this section must:

18 (a) Become licensed as a construction contractor with the Construction Contractors Board as
19 provided under ORS chapter 701; or

20 (b) Be employed by a landscape contracting business licensed under ORS 671.510 to 671.760.

21 (3) In conjunction with the certification program established under subsection (1) of this section,
22 the [*authority*] **department** may establish and collect a fee from an individual requesting certifica-
23 tion under the program. A fee imposed under this subsection:

24 (a) Is not refundable; and

25 (b) May not exceed the cost of administering the certification program of the [*authority*] **de-**
26 **partment** for which purpose the fee is established, as authorized by the Legislative Assembly within
27 the budget of the [*authority*] **department** and as the budget may be modified by the Emergency
28 Board.

29 (4) The [*authority*] **department** may not require a journeyman plumber licensed under ORS
30 chapter 693 or an apprentice plumber, as defined in ORS 693.010, to obtain a certification for testing
31 backflow assemblies under the program established under this section.

32 (5) All moneys collected by the Oregon [*Health Authority*] **Department of Health** under this
33 section shall be deposited in the General Fund to the credit of an account of the [*authority*] **de-**
34 **partment**. Such moneys are continuously appropriated to the Oregon [*Health Authority*] **Depart-**
35 **ment of Health** to pay the cost of administering the certification program established pursuant to
36 this section and the cost of administering water system cross-connection and backflow assembly
37 programs.

38 **SECTION 1223.** ORS 448.280 is amended to read:

39 448.280. (1) In addition to any other penalty provided by law:

40 (a) Any person who violates any rule of the Oregon [*Health Authority*] **Department of Health**
41 relating to the construction, operation or maintenance of a water system or part thereof shall incur
42 a civil penalty not to exceed \$500 for each day of violation, except that a violation at any water
43 system that serves more than 10,000 people shall be subject to a civil penalty not to exceed \$1,000
44 for each day of violation.

45 (b) Any person who operates an environmental laboratory and who purports that the laboratory

1 is accredited under the environmental laboratory accreditation program established under ORS
 2 438.615 when the laboratory is not accredited shall incur a civil penalty in accordance with the
 3 schedule of penalties established by rule by the Director of the Oregon [*Health Authority*] **Depart-**
 4 **ment of Health**, in collaboration with the accrediting authority.

5 (2) No civil penalty prescribed under subsection (1) of this section shall be imposed until the
 6 person incurring the penalty has received five days' advance notice in writing from the [*authority*]
 7 **department** or unless the person incurring the penalty shall otherwise have received actual notice
 8 of the violation not less than five days prior to the violation for which a penalty is imposed.

9 **SECTION 1224.** ORS 448.285 is amended to read:

10 448.285. (1) The Director of the Oregon [*Health Authority*] **Department of Health** shall adopt
 11 by rule a schedule or schedules establishing the amount of civil penalty that may be imposed for a
 12 particular violation. No civil penalty shall exceed \$500 per day, except that a violation at any water
 13 system that serves more than 10,000 people shall be subject to a civil penalty not to exceed \$1,000
 14 for each day of violation.

15 (2) The director may impose the penalty without hearing but only after the notice required by
 16 ORS 448.280 (2). In imposing a penalty pursuant to the schedule or schedules adopted pursuant to
 17 this section, the director shall consider the following factors:

18 (a) The past history of the person incurring a penalty in taking all feasible steps or procedures
 19 necessary or appropriate to correct any violation.

20 (b) Any prior violations of statutes, rules, orders and permits pertaining to the water system.

21 (c) The economic and financial conditions of the person incurring the penalty.

22 (3) The penalty imposed under this section may be remitted or mitigated upon such terms and
 23 conditions as the Oregon [*Health Authority*] **Department of Health** considers proper and consistent
 24 with the public health and safety.

25 (4) In adopting rules or imposing penalties under this section for violations of ORS 448.280 (1)(b),
 26 the director shall collaborate with the accrediting [*authority*] **department**.

27 **SECTION 1225.** ORS 448.295 is amended to read:

28 448.295. Subject to the authority of the Oregon [*Health Authority*] **Department of Health**, for
 29 the purpose of protecting from pollution their domestic water supply sources, cities shall have ju-
 30 risdiction over all property:

31 (1) Occupied by the distribution system or by the domestic water supply sources by and from
 32 which the city or any person or corporation provides water to the inhabitants of the city.

33 (2) Acquired, owned or occupied for the purpose of preserving or protecting the purity of the
 34 domestic water supply source.

35 (3) Acquired, owned or occupied by cities within the areas draining into the domestic water
 36 supply sources.

37 **SECTION 1226.** ORS 448.315 is amended to read:

38 448.315. The mayor or authorities having control of the community water supply system sup-
 39 plying the city may appoint special police officers who:

40 (1) After taking oath, shall have the powers of constables.

41 (2) May arrest with or without warrant any person committing, within the territory described
 42 in ORS 448.295, for:

43 (a) Any offense against the purity of the domestic water supply source or the community water
 44 supply system under state law or an ordinance of such city; or

45 (b) Any violation of any rule of the Oregon [*Health Authority*] **Department of Health** or the

1 authorities having control of the city water system for the protection of the purity of the domestic
2 water supply source or the community water supply system.

3 (3) May take any person arrested for any violation under this section before any court having
4 jurisdiction thereof to be proceeded with according to law.

5 (4) When on duty, shall wear in plain view a badge or shield bearing the words "Special
6 Police" and the name of the city for which appointed.

7 **SECTION 1227.** ORS 448.330 is amended to read:

8 448.330. (1) The Director of the Oregon [*Health Authority*] **Department of Health** may prohibit
9 the sale of water pipe used to carry potable water and solders, fillers or brazing material used in
10 making up joints and fittings in this state and the installation or use of water pipe used to carry
11 potable water and solders, fillers or brazing material used in making up joints and fittings in any
12 private or public potable water supply system or individual water user's lines until such time as the
13 director determines that adequate standards exist and are practiced in the manufacture of water
14 pipe used to carry potable water and solders, fillers or brazing material used in making up joints
15 and fittings to insure that the pipe and solder do not present a present or potential threat to the
16 public health in this state.

17 (2) The director shall adopt, by rule, product acceptability criteria for water pipe used to carry
18 potable water and solders, fillers or brazing material used in making up joints and fittings for water
19 supply purposes which insure that the pipe and solder do not present a threat to the public health
20 in this state. The Oregon [*Health Authority*] **Department of Health** shall be responsible for the
21 monitoring of the sale and use of water pipe used to carry potable water and solders, fillers or
22 brazing material used in making up joints and fittings for compliance with the product acceptability
23 criteria. The Department of Consumer and Business Services shall cooperate with, and assist, the
24 [*authority*] **Oregon Department of Health** in its monitoring efforts.

25 (3) No water pipe used to carry potable water or solders, fillers or brazing material used in
26 making up joints and fittings which does not conform to the product acceptability criteria adopted
27 under subsection (2) of this section shall be sold in this state or installed in any part of any public
28 or private potable water supply system or individual water user's lines.

29 (4) Notwithstanding subsection (1) or (3) of this section, the director may grant exemptions from
30 any prohibition of the sale or use of water pipe used to carry potable water for the emergency repair
31 or replacement of any existing part of a water supply system, or for the necessary use by a well
32 driller in the installation of a well. The Director **of the Oregon Department of Health** may require
33 any person using water pipe used to carry potable water under this subsection to notify the [*au-*
34 *thority*] **Oregon Department of Health** of the date and location of that use.

35 **SECTION 1228.** ORS 448.407 is amended to read:

36 448.407. To aid and advise the Environmental Quality Commission and the Oregon [*Health Au-*
37 *thority*] **Department of Health** in the adoption of rules under ORS 448.410 and 448.450, the Director
38 of the Department of Environmental Quality and the Director of the Oregon [*Health Authority*] **De-**
39 **partment of Health** shall appoint an advisory committee. The members of the committee shall in-
40 clude but need not be limited to representatives of all types of water systems.

41 **SECTION 1229.** ORS 448.409 is amended to read:

42 448.409. On or before January 1 of each odd-numbered year, the Department of Environmental
43 Quality and the Oregon [*Health Authority*] **Department of Health** shall develop and submit a joint
44 report to the Legislative Assembly. The report shall include, but need not be limited to:

45 (1) A summary of actions taken under ORS 448.405 to 448.465, 448.992 and 448.994;

1 (2) An evaluation of the effectiveness of such actions; and

2 (3) Any information and recommendations, including legislative recommendations the [depart-
3 ment or the authority] **Department of Environmental Quality or the Oregon Department of**
4 **Health** considers appropriate.

5 **SECTION 1230.** ORS 448.410 is amended to read:

6 448.410. (1) The Environmental Quality Commission shall:

7 (a) Adopt rules necessary to carry out the provisions of ORS 448.410 to 448.430 and 448.992.

8 (b) Classify all sewage treatment works. In classifying the sewage treatment works, the com-
9 mission shall take into consideration size and type, character of wastewater to be treated and other
10 physical conditions affecting the sewage treatment works and the skill, knowledge and experience
11 required of an operator.

12 (c) Certify persons qualified to supervise the operation of sewage treatment works.

13 (d) Subject to the prior approval of the Oregon Department of Administrative Services and a
14 report to the Emergency Board prior to adopting the fee, establish a schedule of fees for certifica-
15 tion under paragraph (c) of this subsection. The fees established under the schedule shall be suffi-
16 cient to pay the costs incurred by the Department of Environmental Quality in carrying out the
17 provisions of ORS 448.410 to 448.430 and 448.992 and shall be within the budget authorized by the
18 Legislative Assembly as that budget may be modified by the Emergency Board.

19 (2) The commission may grant a variance from the requirements of ORS 448.415, according to
20 criteria established by rule by the commission.

21 (3) In adopting rules under this section, the commission shall consult with the Oregon [Health
22 Authority] **Department of Health** in order to coordinate rules adopted under this section with rules
23 adopted by the [authority] **department** under ORS 448.450.

24 **SECTION 1231.** ORS 448.450 is amended to read:

25 448.450. (1) The Oregon [Health Authority] **Department of Health** shall:

26 (a) Adopt rules necessary to carry out the provisions of ORS 448.450 to 448.465, 448.992 and
27 448.994.

28 (b) Classify all potable water treatment plants and water distribution systems actually used or
29 intended for use by the public. In classifying the potable water treatment plants and water distrib-
30 ution systems, the [authority] **department** shall take into consideration size and type, character of
31 water to be treated and other physical conditions affecting the treatment plants and distribution
32 systems and the skill, knowledge and experience required of an operator.

33 (c) Certify persons qualified to supervise the operation of a potable water treatment plant or a
34 water distribution system.

35 (d) Subject to the prior approval of the Oregon Department of Administrative Services and a
36 report to the Emergency Board prior to adopting the fee, establish a schedule of fees for certifica-
37 tion under paragraph (c) of this subsection. The fees established under the schedule shall be suffi-
38 cient to pay the cost of the [authority] **Oregon Department of Health** in carrying out the
39 provisions of ORS 448.450 to 448.465, 448.992 and 448.994 and shall be within the budget authorized
40 by the Legislative Assembly as that budget may be modified by the Emergency Board.

41 (2) Notwithstanding the authority of the Oregon [Health Authority] **Department of Health** to
42 establish fees for certification under subsection (1)(d) of this section, the [authority] **department**
43 will not establish fees for certification of operators of water systems serving ground water to fewer
44 than 150 service connections.

45 (3) In adopting rules under this section, the [authority] **Oregon Department of Health** shall

1 consult with the Department of Environmental Quality in order to coordinate rules adopted under
2 this section with rules adopted by the Environmental Quality Commission under ORS 448.410.

3 **SECTION 1232.** ORS 448.460 is amended to read:

4 448.460. On and after September 27, 1987, an operator holding a current Oregon water treatment
5 certification issued under a voluntary certification program shall be considered certified under the
6 program established under ORS 448.450 at the same classification and grade. Certification of oper-
7 ators by any state that, as determined by the Oregon [*Health Authority*] **Department of Health**,
8 accepts certifications made under ORS 448.450 to 448.465, 448.992 and 448.994, shall be accorded
9 reciprocal treatment and shall be recognized as valid and sufficient within the purview of ORS
10 448.450 to 448.465, 448.992 and 448.994, if in the judgment of the Director of the Oregon [*Health*
11 *Authority*] **Department of Health**, the certification requirements of such state are substantially
12 equivalent to the requirements of ORS 448.450 to 448.465, 448.992 and 448.994 or any rule adopted
13 under ORS 448.450 to 448.465, 448.992 and 448.994.

14 **SECTION 1233.** ORS 448.465 is amended to read:

15 448.465. Any fees collected pursuant to the schedule adopted under ORS 448.450 shall be de-
16 posited in the General Fund of the State Treasury to the credit of the Oregon [*Health Authority*]
17 **Department of Health**. Such fees are continuously appropriated to the [*authority*] **department** to
18 pay the cost of administering the provisions of ORS 448.450 to 448.465, 448.992 and 448.994.

19 **SECTION 1234.** ORS 448.990 is amended to read:

20 448.990. (1) Violation of ORS 448.005 to 448.090 by any person, firm or corporation, whether
21 acting as principal or agent, employer or employee, is a Class B misdemeanor. Each day that the
22 violation continues is a separate offense.

23 (2) Subject to ORS 153.022, violation of any of the following is a Class A misdemeanor:

24 (a) Any rule of the Oregon [*Health Authority*] **Department of Health** adopted pursuant to ORS
25 448.115 to 448.330.

26 (b) Any order issued by the [*authority*] **department** pursuant to ORS 448.175.

27 (c) ORS 448.265 or 448.315 (2)(a).

28 **SECTION 1235.** ORS 450.165 is amended to read:

29 450.165. (1) Whenever the board deems it expedient or necessary to cause to be constructed
30 sewers, drains or sewage treatment plants, the cost of which, in whole or in part, is to be paid either
31 by the proceeds of the sale of bonds by the district or assessed against the property directly bene-
32 fited or by both methods in proportion, the board shall retain a registered professional engineer to
33 prepare plans and specifications for the sewers, drains or sewage treatment plants, which plans and
34 specifications shall be filed in the office of the secretary of the district.

35 (2) The district board may, however, adopt any plans and specifications they see fit, provided
36 the plans have been prepared by a registered professional engineer and have been approved by the
37 Oregon [*Health Authority*] **Department of Health** and the Environmental Quality Commission.

38 **SECTION 1236.** ORS 450.845 is amended to read:

39 450.845. Whenever the board deems it expedient or necessary for the protection of the public
40 health, safety and welfare to cause to be constructed treatment plants or trunk or lateral sewers
41 or drains, or any combination thereof, the board shall determine the proposed boundaries of the area
42 to be directly benefited thereby and have a registered professional engineer prepare plans and
43 specifications for such plants, sewers or drains. Such plans and specifications must be approved by
44 the Oregon [*Health Authority*] **Department of Health** and the Environmental Quality Commission
45 and shall be filed in the office of the sanitary authority. Parcels of land which may be served

1 practicably by lateral sewers or drains connected with treatment plants or trunk sewers or drains
2 and are not adequately served by existing plants, sewers or drains, as the case may be, are consid-
3 ered to be directly benefited by the plants, sewers or drains of the sanitary authority. If all or any
4 portion of the cost of construction is to be specially assessed against individual property, the engi-
5 neer shall include in the plans and specifications, a description of the location and assessed value
6 of each lot, tract or parcel of land, or portion thereof, to be specially benefited by the improvement,
7 with the names of the record owners thereof and an estimate of the unit cost of the improvement
8 to the specially benefited property.

9 **SECTION 1237.** ORS 451.445 is amended to read:

10 451.445. (1) When certified copy of the findings of the Director of the Oregon [*Health*
11 *Authority*] **Department of Health** is filed with the county court as provided by ORS 431.740 or
12 431.750, the county court shall, subject to ORS 198.792, proceed to form the district to provide the
13 facilities described in the findings and shall enter an order in accordance with ORS 451.485.

14 (2) The county court shall, within one year after making its order under ORS 451.485, prepare
15 plans and specifications for the service facilities proposed to be provided within the district and
16 proceed in accordance with the time schedule to construct or install the facilities.

17 (3) Notwithstanding the provisions of ORS 451.487, the order of the county court under ORS
18 451.485 is not subject to referendum if it is adopted in accordance with subsection (1) of this section
19 and as a result of proceedings conducted under ORS 431.705 to 431.760.

20 (4) Notwithstanding ORS 451.495, when service facilities are to be constructed for the purpose
21 of removing or alleviating a danger to public health and as a result of proceedings conducted by
22 ORS 431.705 to 431.760, if any portion of the cost of the service facilities is to be assessed against
23 the property directly benefited, ORS 451.495 (1)(c) does not apply to the general ordinance providing
24 for the method of assessment which must be adopted under ORS 451.495.

25 **SECTION 1238.** ORS 452.151 is amended to read:

26 452.151. The board may request technical advice and information from the Oregon State Uni-
27 versity Agricultural Experiment Station and the Oregon [*Health Authority*] **Department of Health**
28 regarding methods and chemicals to be used in the control and extermination of rats and public
29 health vectors.

30 **SECTION 1239.** ORS 452.300 is amended to read:

31 452.300. (1) The Oregon [*Health Authority*] **Department of Health** shall maintain a program of
32 public health vector control, which program shall include, but not be limited to:

33 (a) Monitoring and investigating public health vectors, vector habitats and vector-borne dis-
34 eases.

35 (b) Providing technical assistance and information to vector control districts, local vector con-
36 trol programs and the public.

37 (c) Maintaining training programs for vector control district personnel and other public health
38 personnel.

39 (d) Coordinating and assisting vector control district programs and other local programs in re-
40 search projects.

41 (e) Reviewing vector control program pesticide use plans submitted by agencies that intend to
42 use pesticides for vector control. Agencies must obtain [*authority*] **department** approval of their
43 annual pesticide use plan prior to pesticide applications.

44 (2) The [*authority*] **department** may provide an amount not to exceed \$5,000 per year in
45 matching funds to a district for a program to allow the district to carry out disease surveillance in

1 cooperation with public health personnel.

2 **SECTION 1240.** ORS 453.001 is amended to read:

3 453.001. As used in ORS 453.001 to 453.185, unless the context requires otherwise:

4 (1) [*“Authority”*] **“Department”** means the Oregon [*Health Authority*] **Department of Health.**

5 (2) “Director” means the Director of the Oregon [*Health Authority*] **Department of Health.**

6 **SECTION 1241.** ORS 453.005 is amended to read:

7 453.005. As used in ORS 453.005 to 453.135 unless the context requires otherwise:

8 (1) “Combustible” means any substance that has a flash point above 80 degrees Fahrenheit to
9 and including 140 degrees, as determined by the Tagliabue Open Cup Tester.

10 (2) “Commerce” means any and all commerce within the State of Oregon and subject to the ju-
11 risdiction thereof and includes the operation of any business or service establishment.

12 (3) “Corrosive” means any substance that in contact with living tissue will cause destruction
13 of tissue by chemical action, but does not refer to action on inanimate surfaces.

14 (4) “Electrical hazard” means an article that because of its design or manufacture may cause
15 personal injury or illness by electric shock when in normal use or when subjected to reasonably
16 foreseeable damage or abuse.

17 (5) “Extremely flammable” means any substance that has a flash point at or below 20 degrees
18 Fahrenheit as determined by the Tagliabue Open Cup Tester.

19 (6) “Flammable” means any substance that has a flash point of above 20 degrees to and includ-
20 ing 80 degrees Fahrenheit, as determined by the Tagliabue Open Cup Tester.

21 (7) “Hazardous substance” means:

22 (a) Any substance that is toxic, corrosive, an irritant, a strong sensitizer, flammable,
23 combustible, or generates pressure through decomposition, heat or other means, if such substance
24 or mixture of substances may cause substantial personal injury or substantial illness during or as
25 a proximate result of any customary or reasonably foreseeable handling or use, including reasonably
26 foreseeable ingestion by children, or any substance that the Director of the Oregon [*Health Au-*
27 *thority*] **Department of Health** finds, pursuant to the provisions of ORS 453.005 to 453.135, comes
28 within the definition of this paragraph.

29 (b) Any radioactive substance, if, with respect to such substance as used in a particular class
30 of article or as packaged, the director determines that the substance is sufficiently hazardous to
31 require labeling in accordance with ORS 453.005 to 453.135 in order to protect the public health.
32 However, “hazardous substance” does not include any source material, special nuclear material, or
33 by-product material as defined in the Atomic Energy Act of 1954, as amended, and regulations issued
34 pursuant thereto by the Atomic Energy Commission.

35 (c) Any toy or other article intended for use by children that the director determines in ac-
36 cordance with ORS 453.055 presents an electrical, thermal or mechanical hazard.

37 (d) Any article that is not pesticide within the meaning of the Federal Insecticide, Fungicide,
38 and Rodenticide Act or regulated under ORS 616.335 to 616.385, but that is a hazardous substance
39 within the meaning of paragraph (a) of this subsection by reason of bearing or containing pesticide.

40 (e) The following brominated flame retardant chemicals:

41 (A) Pentabrominated diphenyl ether;

42 (B) Octabrominated diphenyl ether; and

43 (C) Decabrominated diphenyl ether.

44 (8) “Highly toxic” means any substance that falls within any of the following categories:

45 (a) Produces death within 14 days in one-half or more of a group of 10 or more laboratory white

1 rats each weighing between 200 and 300 grams, at a single dose of 50 milligrams or less per kilogram
 2 of body weight, when orally administered;

3 (b) Produces death within 14 days in one-half or more of a group of 10 or more laboratory white
 4 rats each weighing between 200 and 300 grams, when inhaled continuously for a period of one hour
 5 or less at an atmosphere concentration of 200 parts per million by volume or less of gas or vapor
 6 or two milligrams per liter by volume or less of mist or dust, provided such concentration is likely
 7 to be encountered by humans when the substance is used in any reasonably foreseeable manner; or

8 (c) Produces death within 14 days in one-half or more of a group of 10 or more rabbits tested
 9 in a dosage of 200 milligrams or less per kilogram of body weight, when administered by continuous
 10 contact with the bare skin for 24 hours or less.

11 (9) "Immediate container" does not include package liners.

12 (10) "Irritant" means any substance not corrosive within the meaning of subsection (3) of this
 13 section, but that on immediate, prolonged, or repeated contact with normal living tissue will induce
 14 a local inflammatory reaction.

15 (11) "Label" means a display of written, printed, or graphic matter upon the immediate container
 16 of any substance, or in the case of an article that is unpackaged or is not packaged in an immediate
 17 container intended or suitable for delivery to the ultimate consumer, a display of such matter di-
 18 rectly on the article involved or on a tag or other suitable material affixed thereto, and a require-
 19 ment made by or under authority of ORS 453.005 to 453.135 that any word, statement, or other
 20 information appearing on the label shall not be considered to be complied with unless such word,
 21 statement, or other information also appears on the outside container or wrapper, if any, unless it
 22 is easily legible through the outside container or wrapper and on all accompanying literature where
 23 there are directions for use, written or otherwise.

24 (12) "Mechanical hazard" means an article that in normal use or when subjected to reasonably
 25 foreseeable damage or abuse presents an unreasonable risk of personal injury or illness, by its de-
 26 sign or manufacture:

- 27 (a) From fracture, fragmentation, or disassembly of the article;
- 28 (b) From propulsion of the article or any part or accessory thereof;
- 29 (c) From points or other protrusions, surfaces, edges, openings, or closures;
- 30 (d) From moving parts;
- 31 (e) From lack or insufficiency of controls to reduce or stop motion;
- 32 (f) As a result of self-adhering characteristics of the article;
- 33 (g) Because the article or any part or accessory thereof may be aspirated or ingested;
- 34 (h) Because of instability; or
- 35 (i) Because of any other aspect of the article's design or manufacture.

36 (13) "Misbranded hazardous substance" means a hazardous substance that does not meet the
 37 labeling requirements of ORS 453.035.

38 (14) "Poison" means:

- 39 (a) Arsenic and its preparations;
- 40 (b) Corrosive sublimate;
- 41 (c) Cyanides and preparations, including hydrocyanic acid;
- 42 (d) Hydrochloric acid and any preparation containing free or chemically unneutralized
 43 hydrochloric acid (HCl) in a concentration of 10 percent or more;
- 44 (e) Nitric acid or any preparation containing free or chemically unneutralized nitric acid
 45 (HNO₃) in a concentration of five percent or more;

- 1 (f) Strychnine;
- 2 (g) Sulfuric acid and any preparation containing free or chemically unneutralized sulfuric acid
- 3 (H₂SO₄) in a concentration of 10 percent or more;
- 4 (h) Solution of ammonia, U.S.P. 28 percent; or
- 5 (i) Carboic acid.
- 6 (15) "Radioactive substance" means a substance that emits ionizing radiation.
- 7 (16) "Strong sensitizer" means a substance that will cause on normal living tissue, through an
- 8 allergic or photodynamic process, a hypersensitivity that becomes evident on reapplication of the
- 9 same substances and that is designated as such by the director.
- 10 (17) "Thermal hazard" means an article that, in normal use or when subjected to reasonably
- 11 foreseeable damage or abuse, because of its design or manufacture presents an unreasonable risk
- 12 of personal injury or illness because of heat as from heated parts, substances or surfaces.
- 13 (18) "Toxic substance" means any substance, other than radioactive substance, that has the ca-
- 14 pacity to produce personal injury or illness to humans through ingestion, inhalation, or absorption
- 15 through any body surface.
- 16 **SECTION 1242.** ORS 453.035 is amended to read:
- 17 453.035. (1) The Director of the Oregon [*Health Authority*] **Department of Health** shall adopt
- 18 standards for the labeling of hazardous substances. The director may permit or require the use of
- 19 a recognized generic name or may require the common or usual name or the chemical name, if there
- 20 is no common or usual name, of the hazardous substance or of each component which the director
- 21 finds contributes substantially to its hazard.
- 22 (2) The director shall require:
- 23 (a) The word "Danger" on substances which are extremely flammable, corrosive or highly toxic;
- 24 (b) The word "Warning" or "Caution" on other hazardous substances;
- 25 (c) An affirmative statement of the principal hazard or hazards, such as "Flammable,"
- 26 "Combustible," "Vapor Harmful," "Causes Burns," "Absorbed Through Skin," or similar wording
- 27 descriptive of the hazard;
- 28 (d) Precautionary measures describing the action to be followed or avoided, except when modi-
- 29 fied by rule of the director pursuant to subsection (4) of this section;
- 30 (e) Instruction, when necessary or appropriate, for first-aid treatment;
- 31 (f) The word "Poison" for any hazardous substance which is defined as "highly toxic" in ORS
- 32 453.005;
- 33 (g) Instructions for handling and storage of packages which require special care in handling or
- 34 storage;
- 35 (h) Adequate directions for the protection of children from the hazard if the article is intended
- 36 for use by children and is not a banned hazardous substance, or the statement "Keep out of the
- 37 reach of children," or its practical equivalent, if the article is not intended for use by children; and
- 38 (i) The name and place of business of the manufacturer, packer, distributor or seller.
- 39 (3) Any statement required by this section must be in the English language, located prominently
- 40 and in conspicuous and legible type in contrast by typography, layout or color with other printed
- 41 matter on the label.
- 42 (4) If the director finds that, because of the size of the package involved or because of the minor
- 43 hazard presented by the substance contained therein, or for other good and sufficient reasons, full
- 44 compliance with the labeling requirements otherwise applicable under ORS 453.005 to 453.135 and
- 45 453.990 (2) is impracticable or is not necessary for the adequate protection of the public health and

1 safety, the director may authorize the exemption of such substance from the requirements, to an
2 extent consistent with adequate protection of the public health and safety.

3 **SECTION 1243.** ORS 453.055 is amended to read:

4 453.055. (1) The Director of the Oregon [*Health Authority*] **Department of Health** shall declare
5 to be a hazardous substance any substance or mixture of substances which the director finds to be
6 within the definition of hazardous substance in ORS 453.005.

7 (2) If the director finds that any hazardous substance is a misbranded hazardous substance, the
8 director shall require such reasonable variations or labeling requirements in addition to those re-
9 quired by ORS 453.035 as the director finds necessary for the protection of the public health and
10 safety. However, if the director finds that any hazardous substance cannot be labeled adequately to
11 protect the public health and safety, or the article presents an imminent danger to the public health
12 and safety, the director may declare the article to be a banned hazardous substance and require its
13 removal from commerce.

14 (3) If the director finds that a toy or other article intended for use by children is a hazardous
15 substance, bears or contains a hazardous substance in a manner as to be susceptible of access by
16 a child to whom the toy or other article is entrusted or presents an electrical, mechanical or ther-
17 mal hazard, the director shall declare a toy or other article to be a banned hazardous substance and
18 require its removal from commerce.

19 (4) If the director finds that any hazardous substance intended, or packaged in a form suitable,
20 for use in a household, notwithstanding cautionary labeling as required under ORS 453.005 to
21 453.135 and 453.990 (2), involves a degree or nature of the hazard by its presence or use in house-
22 holds that the protection of the public health and safety can be adequately served only by keeping
23 the substance out of the channels of commerce, the director shall declare the hazardous substance
24 to be a banned hazardous substance and require its removal from commerce.

25 (5) Any hazardous substance intended, or packaged in a form suitable for use in the household
26 or by children, which fails to bear a label in accordance with ORS 453.035 and the standards of the
27 director shall be deemed to be a misbranded hazardous substance.

28 (6) Any hazardous substance contained in a reused food, drug or cosmetic container is a mis-
29 branded hazardous substance.

30 **SECTION 1244.** ORS 453.065 is amended to read:

31 453.065. (1) Whenever the Director of the Oregon [*Health Authority*] **Department of Health** or
32 a designated representative finds or has probable cause to believe that any hazardous household
33 substance is misbranded, or is a banned hazardous substance, the director or designated represen-
34 tative shall affix to such article a tag or other appropriate marking, giving notice that such article
35 is or is suspected of being misbranded or is a banned hazardous substance, and has been detained
36 or embargoed, and warning all persons not to remove or dispose of such article by sale or otherwise
37 until permission for removal or disposal is given by such agent or the court.

38 (2) When an article detained or embargoed under subsection (1) of this section has been found
39 to be misbranded or a banned hazardous substance, the director shall petition the circuit court of
40 the county within which the article is detained or embargoed for a label of condemnation of such
41 article. However, if the director or a designated representative finds that an article so detained or
42 embargoed is not misbranded or a banned hazardous substance, the director or designated repre-
43 sentative shall remove the tag or other marking.

44 (3) If the court finds that a detained or embargoed article is misbranded or a banned hazardous
45 substance, after entry of the judgment, the article shall be destroyed at the expense of the owner

1 or claimant thereof, under supervision of the director or a designated representative, and all court
 2 costs and fees, and storage and other proper expenses, shall be taxed against the owner or claimant
 3 of such article or the owner or claimant agent. However, when the misbranding can be corrected
 4 by proper labeling of the article, after entry of the judgment and after such costs, fees, and expenses
 5 have been paid and a good and sufficient bond or irrevocable letter of credit issued by an insured
 6 institution, as defined in ORS 706.008, conditioned that such article shall be so labeled, has been
 7 executed, the court may order that such article be delivered to the owner or claimant thereof for
 8 such labeling under the supervision of an agent of the director. The expense of such supervision
 9 shall be paid by claimant. The article shall be returned to the claimant on the representation to the
 10 court by the director that the article is no longer in violation of ORS 453.005 to 453.135 and 453.990
 11 (2), and that the expenses of such supervision have been paid.

12 **SECTION 1245.** ORS 453.075 is amended to read:

13 453.075. (1) Any article or substance sold by its manufacturer, distributor, or dealer that is a
 14 banned hazardous substance, whether or not it was such at the time of its sale, shall, in accordance
 15 with rules of the Director of the Oregon [*Health Authority*] **Department of Health**, be repurchased
 16 as provided in this section.

17 (2) The manufacturer or distributor of any such article shall repurchase it from the person to
 18 whom the manufacturer or distributor sold it, and shall:

19 (a) Refund to that person the purchase price paid for such article or substance;

20 (b) If that person has repurchased such article or substance pursuant to this paragraph or par-
 21 agraph (a) of this subsection, reimburse the person for any amounts paid in accordance with this
 22 section for the return of such article or substance in connection with its repurchase; and

23 (c) If the manufacturer requires the return of such article or substance in connection with the
 24 repurchase of it, reimburse that person for any reasonable and necessary expenses incurred in re-
 25 turning it to the manufacturer.

26 (3) In the case of any such article or substance sold at retail by a dealer, if the person who
 27 purchased it from the dealer returns it to the dealer, the dealer shall refund to the purchaser the
 28 purchase price paid for it and reimburse the person for any reasonable and necessary transportation
 29 charges incurred in its return.

30 (4) As used in this section:

31 (a) "Distributor" includes a dealer who sells at wholesale an article or substance with respect
 32 to that sale.

33 (b) "Manufacturer" includes an importer for resale.

34 **SECTION 1246.** ORS 453.085 is amended to read:

35 453.085. A person may not perform any of the following acts:

36 (1) The introduction or delivery for introduction into commerce of any misbranded hazardous
 37 substance or banned hazardous substance.

38 (2) The alteration, mutilation, destruction, obliteration, or removal of the whole or any part of
 39 the label of a hazardous substance.

40 (3) The performance of any act with respect to a hazardous substance while the substance is in
 41 commerce, or while the substance is held for sale or resale after shipment in commerce, that results
 42 in the hazardous substance being a misbranded hazardous substance or a banned hazardous sub-
 43 stance.

44 (4) The receipt of or delivery into commerce of any misbranded hazardous substance or banned
 45 hazardous substance for pay or otherwise.

1 (5) The giving of a guarantee or undertaking that is false, except as a person who relied upon
 2 a guarantee or undertaking to the same effect signed by, and containing the name and address of,
 3 a person residing in the United States from whom the person received in good faith the hazardous
 4 substance.

5 (6) The failure to permit entry or inspection as authorized by ORS 453.005 to 453.135 or to per-
 6 mit access to and copying of any record as authorized by ORS 453.005 to 453.135.

7 (7) The introduction or delivery for introduction into commerce, or the receipt in commerce and
 8 subsequent delivery or proffered delivery for pay or otherwise, of a hazardous substance in a reused
 9 food, drug or cosmetic container or in a container that, though not a reused container, is identifiable
 10 as a food, drug or cosmetic container by its labeling or by other identification.

11 (8) The use by any person to the advantage of the person, or the revealing other than to the
 12 Director of the Oregon [*Health Authority*] **Department of Health** or the authorized representative
 13 of the director or to a court of any information acquired under **the** authority of ORS 453.005 to
 14 453.135 concerning any method or process that is a trade secret entitled to protection.

15 (9) The sale or delivery of any poison to a minor under 18 years of age without the written order
 16 of a person 21 years of age or over, which written order shall be retained in the records of the seller
 17 and the poison register of the seller shall show by the name of the purchaser the fact that the sale
 18 or delivery was to a minor on order of an adult and show the adult's name and address.

19 (10) The sale or delivery of completely denatured alcohol, methyl alcohol (methanol), canned
 20 heat or other solidified forms of denatured alcohol, or any preparation containing those substances,
 21 to be used for beverage purposes.

22 (11) The sale or delivery of any poison without making or causing to be made an entry in a
 23 poison register of the seller in the manner required by law.

24 (12) The sale or delivery to any person of any poison without having learned by due inquiry that
 25 such person is aware of the poisonous character thereof and that it is desired for a lawful purpose.

26 (13) The giving of a fictitious name or making any false representations to the seller or dealer
 27 when buying any of the poisons.

28 (14) The sale or delivery to any person by anyone other than a pharmacist of a poison.

29 (15) The removal or disposal of any detained or embargoed article without permission of the
 30 director or a designated representative.

31 (16) The introduction or delivery for introduction into commerce of any product containing more
 32 than one-tenth of one percent by mass of pentabrominated diphenyl ether, octabrominated diphenyl
 33 ether or decabrominated diphenyl ether. This subsection does not apply to:

34 (a) Used products; or

35 (b) Replacement parts for products containing more than one-tenth of one percent by mass of
 36 pentabrominated diphenyl ether or octabrominated diphenyl ether introduced into commerce before
 37 January 1, 2006, or replacement parts for products containing more than one-tenth of one percent
 38 by mass of decabrominated diphenyl ether introduced into commerce before January 1, 2011.

39 **SECTION 1247.** ORS 453.095 is amended to read:

40 453.095. (1) The authority to adopt rules for the administration and enforcement of ORS 453.005
 41 to 453.135 and 453.990 (2) is vested in the Director of the Oregon [*Health Authority*] **Department**
 42 **of Health** pursuant to ORS chapter 183.

43 (2) The director shall cause the rules adopted under ORS 453.005 to 453.135 and 453.990 (2) to
 44 be no less strict than rules established pursuant to the Federal Hazardous Substances Act.

45 (3) The combustibility, and extreme flammability of solids and of the contents of self-pressurized

1 containers shall be determined by methods found by the director to be generally applicable to such
2 materials or containers, respectively, and established by the director.

3 (4) Before designating any substance as a strong sensitizer, the director, upon consideration of
4 the frequency of occurrence and severity of the reaction, shall find that the substance has a signif-
5 icant potential for causing hypersensitivity.

6 **SECTION 1248.** ORS 453.105 is amended to read:

7 453.105. (1) For the purposes of enforcement of ORS 453.005 to 453.135 and 453.990 (2), the Di-
8 rector of the Oregon [*Health Authority*] **Department of Health** or a designated representative upon
9 presenting appropriate credentials to the owner, operator or agent in charge, may:

10 (a) Enter, at reasonable times, any factory, warehouse or establishment in which hazardous
11 substances are manufactured, processed, packed, or held for introduction into commerce or are held
12 after such introduction, or to enter any vehicle being used to transport or hold such hazardous
13 substances in commerce.

14 (b) Inspect, at reasonable times, and within reasonable limits and in a reasonable manner, such
15 factory, warehouse, establishment or vehicle, and all pertinent equipment, finished and unfinished
16 materials, and labeling therein.

17 (c) Obtain samples of such materials or packages thereof, or of such labeling.

18 (2) If the director or a designated representative obtains any sample, prior to leaving the
19 premises, the director or designated representative shall pay or offer to pay the owner, operator,
20 or agent in charge for such sample and give a receipt describing the sample obtained.

21 **SECTION 1249.** ORS 453.115 is amended to read:

22 453.115. (1) For the purpose of enforcing the provisions of ORS 453.005 to 453.135 and 453.990
23 (2), carriers engaged in commerce, and persons receiving hazardous substances in commerce or
24 holding such hazardous substances so received shall, upon request, permit the Director of the
25 Oregon [*Health Authority*] **Department of Health** or a designated representative at reasonable
26 times, to have access to and to copy all records showing the movement in commerce of any such
27 hazardous substances, or the holding thereof during or after such movement, and the quantity,
28 shipper, and consignee thereof. Such request must be accompanied by a statement in writing speci-
29 fying the nature or kind of such hazardous substance to which such request relates.

30 (2) Evidence obtained under this section shall not be used in a criminal prosecution of the per-
31 son from whom obtained.

32 (3) Carriers shall not be subject to the other provisions of ORS 453.005 to 453.135 and 453.990
33 (2) by reason of their receipt, carriage, holding or delivery of hazardous substances in the usual
34 course of business as carriers.

35 **SECTION 1250.** ORS 453.125 is amended to read:

36 453.125. In addition to the remedies provided in ORS 453.005 to 453.135 and 453.990 (2), the Di-
37 rector of the Oregon [*Health Authority*] **Department of Health** may apply to the circuit court for,
38 and such court shall have jurisdiction upon hearing and for cause shown, to grant a temporary or
39 permanent injunction restraining any person from violating any provision of ORS 453.085.

40 **SECTION 1251.** ORS 453.135 is amended to read:

41 453.135. Before any violation of ORS 453.005 to 453.135 and 453.990 (2) is reported to any district
42 attorney or police official for the institution of a criminal proceeding, the person against whom such
43 proceeding is contemplated shall be given appropriate notice and an opportunity to present the
44 person's views before the Director of the Oregon [*Health Authority*] **Department of Health** or the
45 designated agent of the director, either orally or in writing, in person, or by attorney, with regard

1 to such contemplated proceeding.

2 **SECTION 1252.** ORS 453.205 is amended to read:

3 453.205. As used in ORS 453.205 to 453.275:

4 (1) "Art or craft material" means any raw or processed material or manufactured product mar-
5 keted or being represented by the manufacturer, repackager or principal importer as being suitable
6 for use in any phase of the creation of any work of visual or graphic art of any medium. "Art or
7 craft material" does not include economic poisons subject to the Federal Insecticide, Fungicide, and
8 Rodenticide Act (61 Stat. 163) or drugs, devices or cosmetics, which are subject to the Federal Food,
9 Drug, and Cosmetic Act (52 Stat. 1040).

10 (2) [*Authority*] "**Department**" means the Oregon [*Health Authority*] **Department of Health**.

11 (3) "Human carcinogen" means any substance listed as a human carcinogen by the International
12 Agency for Research on Cancer.

13 (4) "Medium" includes, but is not limited to, paintings, drawings, prints, sculpture, ceramics,
14 enamels, jewelry, stained glass, plastic sculpture, photographs and leather and textile goods.

15 (5) "Potential human carcinogen" means one of the following:

16 (a) Any substance which does not meet the definition of human carcinogen, but for which there
17 exists sufficient evidence of carcinogenicity in animals, as determined by the International Agency
18 for Research on Cancer.

19 (b) Any chemical shown to be changed by the human body into a human carcinogen.

20 (6) "Toxic substance causing chronic illness" means any of the following:

21 (a) Human carcinogens.

22 (b) Potential human carcinogens.

23 (c) Any substance included in the list of hazardous substances prepared by the Department of
24 Consumer and Business Services pursuant to the Hazard Communication Rule, Division 155,
25 notwithstanding exemptions made for substances on the list which are used in particular forms,
26 circumstances or concentrations, if the health hazard presented by the substance is not the subject
27 of label statements required by federal law.

28 **SECTION 1253.** ORS 453.225 is amended to read:

29 453.225. For the purposes of ORS 453.205 to 453.275, an art or craft material shall be presumed
30 to contain an ingredient which is a toxic substance causing chronic illness if the ingredient, whether
31 an intentional ingredient or an impurity, is one percent or more by weight of the mixture or product,
32 or if the Oregon [*Health Authority*] **Department of Health** determines that the toxic or
33 carcinogenic properties of the art or craft material are such that labeling is necessary for the ade-
34 quate protection of the public health and safety.

35 **SECTION 1254.** ORS 453.235 is amended to read:

36 453.235. (1) No person shall distribute any art or craft material containing toxic substances
37 causing chronic illness on which the person:

38 (a) Has failed to affix a conspicuous label containing the signal word "WARNING," to alert us-
39 ers of potential adverse health effects.

40 (b) Has failed to affix a conspicuous label warning of the health-related dangers of the art or
41 craft material. If a product contains:

42 (A) A human carcinogen, the warning shall contain the statement: "CANCER HAZARD! Over-
43 exposure may create cancer risk."

44 (B) A potential human carcinogen and does not contain a human carcinogen, the warning shall
45 contain the statement: "POSSIBLE CANCER HAZARD! Overexposure might create cancer risk."

1 (C) A toxic substance causing chronic illness, the warning shall contain, but not be limited to,
2 the following statement or statements where applicable:

3 (i) "May cause sterility or damage to reproductive organs."

4 (ii) "May cause birth defects or harm to developing fetus."

5 (iii) "May be excreted in human milk causing harm to nursing infant."

6 (iv) "May cause central nervous system depression or injury."

7 (v) "May cause numbness or weakness in the extremities."

8 (vi) "Overexposure may cause damage to (specify organ)."

9 (vii) "Heating above (specify degrees) may cause hazardous decomposition products."

10 (D) More than one chronically toxic substance, or if a single substance can cause more than one
11 chronic health effect, the required statements may be combined into one warning statement.

12 (c) Has failed to affix on the label a list of ingredients that are toxic substances causing chronic
13 illness.

14 (d) Has failed to affix on the label a statement or statements of safe use and storage in-
15 structions, conforming to the following list. The label shall contain, but not be limited to, as many
16 of the following risk statements as are applicable:

17 (A) "Keep out of reach of children."

18 (B) "When using, do not eat, drink or smoke."

19 (C) "Wash hands after use and before eating, drinking or smoking."

20 (D) "Keep container tightly closed."

21 (E) "Store in well-ventilated area."

22 (F) "Avoid contact with skin."

23 (G) "Wear protective clothing (specify type)."

24 (H) "Wear National Institute of Occupational Safety and Health (NIOSH) certified masks for
25 dusts, mists or fumes."

26 (I) "Wear NIOSH certified respirator with appropriate cartridge for (specify type)."

27 (J) "Wear NIOSH certified supplied air respirator."

28 (K) "Use window exhaust fan to remove vapors and ensure adequate ventilation (specify expo-
29 sion proof if necessary)."

30 (L) "Use local exhaust hood (specify type)."

31 (M) "Do not heat above (specify degrees) without adequate ventilation."

32 (N) "Do not use or mix with (specify material)."

33 (e) Has failed to affix on the label a statement on where to obtain more information, such as
34 "call your local poison control center for more health information."

35 (f) Has failed to affix on the label the name and address of the manufacturer.

36 (2)(a) If the information listed in subsection (1)(d) of this section cannot fit on the package label,
37 a package insert shall be required to convey all the necessary information to the consumer. In this
38 event, the label shall contain a statement to refer to the package insert, such as "CAUTION: See
39 package insert before use." The language on this insert shall be nontechnical and nonpromotional
40 in tone and content.

41 (b) For purposes of this subsection, "package insert" means a display of written, printed or
42 graphic matter upon a leaflet or suitable material accompanying the art supply.

43 (3) The requirements set forth in this section shall not be considered to be complied with unless
44 the required words, statements or other information appear on the outside container or wrapper, or
45 on a package insert that is easily legible through the outside container or wrapper and is painted

1 in a color in contrast with the product or the package containing the product.

2 (4) The Oregon [*Health Authority*] **Department of Health** may exempt a material from full
3 compliance with ORS 453.205 to 453.275. In considering this exemption, the [*authority*] **department**
4 shall take into consideration the potential for reasonably foreseeable misuse of a material by a child.

5 (5) If an art or craft material complies with labeling standards D-4236 of the American Society
6 for Testing and Materials (ASTM), the material complies with the provisions of ORS 453.205 to
7 453.275, unless the [*authority*] **department** determines that the label on an art or craft material does
8 not satisfy the purposes of ORS 453.205 to 453.275.

9 **SECTION 1255.** ORS 453.245 is amended to read:

10 453.245. (1) Art or craft material that is considered by the Oregon [*Health Authority*] **Depart-**
11 **ment of Health** to contain a toxic substance causing chronic illness may not be ordered or pur-
12 chased by a school or school district for use by students in kindergarten and grades 1 through 6.

13 (2) Any substance that is a toxic substance causing chronic illness may not be ordered or pur-
14 chased by a school or school district for use by students in grades 7 through 12 unless the substance
15 meets the labeling standards specified in ORS 453.235.

16 (3) If the [*authority*] **department** finds that, because the chronically toxic, carcinogenic or ra-
17 dioactive substances contained in an art or craft material cannot be ingested, inhaled or otherwise
18 absorbed into the body during any reasonably foreseeable use of the material in a way that could
19 pose a potential health risk, the [*authority*] **department** may exempt the material from these re-
20 quirements to the extent the [*authority*] **department** determines to be consistent with adequate
21 protection of the public health and safety.

22 **SECTION 1256.** ORS 453.255 is amended to read:

23 453.255. (1) By June 1, 1986, the Oregon [*Health Authority*] **Department of Health** shall develop
24 a list of those art or craft materials which can be purchased or ordered for use in kindergarten and
25 in grades 1 through 6 and a list of materials which, while not currently sold or manufactured, may
26 be reasonably suspected to still exist at some schools. In developing the lists, the [*authority*] **de-**
27 **partment** shall consult with manufacturers of art supplies, artists' groups, health organizations and
28 toxicologists as the [*authority*] **department** considers appropriate.

29 (2) The Superintendent of Public Instruction shall distribute the lists to all school districts and
30 shall make the lists available to preschools, child care centers and other businesses and organiza-
31 tions which involve children in the use of art or craft materials.

32 (3) The superintendent shall inform school districts of the requirements of ORS 453.205 to
33 453.275 and shall encourage school districts to dispose of art or craft materials which may contain
34 human carcinogens, potential human carcinogens or toxic substances causing chronic illness, but
35 which are not affected by ORS 453.205 to 453.275.

36 **SECTION 1257.** ORS 453.265 is amended to read:

37 453.265. (1) The manufacturer of any art or craft material sold, distributed, offered for sale or
38 exposed for sale in this state shall supply to a national poison control network approved by the
39 Director of the Oregon [*Health Authority*] **Department of Health** the formulation information re-
40 quired by that network for dissemination to poison control centers. Failure to file formulation in-
41 formation with an approved poison control network is a violation of ORS 453.205 to 453.275.

42 (2) The requirements set forth in ORS 453.235 shall not be considered to be complied with unless
43 all required words, statements or other information accompany art or craft materials from man-
44 ufacturer to consumer, not excluding any distributor, packager or repackager.

45 **SECTION 1258.** ORS 453.342 is amended to read:

1 453.342. Any fire department, emergency service personnel or law enforcement agency respond-
 2 ing to an incident of injury to a human, wildlife, domestic animal or property resulting from a haz-
 3 ardous substance emergency shall make a report of the incident, in writing, to the Department of
 4 the State Fire Marshal. The State Fire Marshal annually shall summarize all incidents reported to
 5 the department and the information received as a result of the survey conducted under ORS 453.317.
 6 The State Fire Marshal shall submit a copy of the summary to:

- 7 (1) The Governor;
- 8 (2) The Legislative Assembly;
- 9 (3) The Department of Environmental Quality;
- 10 (4) The Department of Consumer and Business Services;
- 11 (5) The Department of Transportation;
- 12 (6) The Environmental Health Sciences Center at Oregon State University;
- 13 (7) The Oregon Department of Emergency Management;
- 14 (8) The Oregon [*Health Authority*] **Department of Health**; and
- 15 (9) Every public library as defined in ORS 357.400.

16 **SECTION 1259.** ORS 453.347 is amended to read:

17 453.347. (1) The State Fire Marshal shall assist with emergency response planning by appropri-
 18 ate agencies of government at the local, state and national levels to assure that the response to a
 19 hazardous substance fixed site or transportation accident is swift and appropriate to minimize dam-
 20 age to any person, property or wildlife. This planning shall include assisting in and training for the
 21 preparation of localized plans setting forth agency responsibilities for on-scene response.

22 (2) The State Fire Marshal may apply for funds as available to train, equip and maintain an
 23 appropriate response capability at the state and local level.

24 (3) The State Fire Marshal shall issue certificates to local agency personnel who have completed
 25 the training.

26 (4) To the extent practicable, the emergency preparedness and response program for hazardous
 27 substances as provided in this section shall be consistent with the program for radioactive material,
 28 wastes and substances developed by the State Department of Energy and the Oregon [*Health Au-*
 29 *thority*] **Department of Health** under ORS chapters 453 and 469.

30 **SECTION 1260.** ORS 453.370 is amended to read:

31 453.370. (1) In order to maintain and ensure the effectiveness of state programs established un-
 32 der ORS 453.307 to 453.414, as well as to ensure the effectiveness of local efforts, a local government
 33 may establish, enforce or enact a local community right to know regulatory program provided that
 34 the local program complies with the requirements of this section.

35 (2) To the extent that a local program is supported in whole or in part by fees, those fees may
 36 be set, imposed or assessed only by the local government that is implementing the local program.
 37 Such fees are allowed only to the extent not otherwise prohibited or limited by law. Such fees:

- 38 (a) Shall be adopted by ordinance as a fee schedule, after notice and public hearing; and
- 39 (b) May not exceed \$2,000 for any single facility in any calendar year.

40 (3)(a) All local community right to know regulatory program enforcement, including but not
 41 limited to penalties, may be imposed only by a local fire official or a board established by the local
 42 government to implement the local community right to know regulatory program.

43 (b) Penalties for violations of a community right to know regulatory program may not exceed
 44 \$1,000 per day and shall be assessed according to a schedule adopted by the local government after
 45 notice and public hearing. Except when a local government has reasonable grounds to find that an

1 employer willfully and knowingly avoided compliance with the local program, and as long as the
2 employer submits the required information within 30 days following a written notification of non-
3 compliance, penalties shall be suspended if the employer has no history of violating the local pro-
4 gram.

5 (4) After notice and public hearing, the local government must determine that:

6 (a) Existing reporting to local, state or federal agencies is inadequate to meet the needs and
7 concerns of the local government;

8 (b) The state or federal government does not collect data that will provide substantially the
9 same information desired by the local government;

10 (c) The local government has asked the appropriate state agency to operate the program desired
11 by the local government and the state agency has not committed to do so within 180 days;

12 (d) The Department of Environmental Quality, the State Fire Marshal and the Oregon [*Health*
13 *Authority*] **Department of Health** have had an opportunity to comment on the proposed program
14 and the local government has responded to those comments; and

15 (e) The local government has provided an opportunity for written and oral public comment on
16 the proposed program.

17 (5) Any local government that operates a local community right to know regulatory program
18 shall:

19 (a) Provide for an opportunity to report data electronically;

20 (b) Place data reported under the program on the Internet with instructions for the general
21 public that explain the organization of the data; and

22 (c) Keep records of data usage and otherwise document interest in the collected data.

23 (6) Data and other information presented under a local community right to know regulatory
24 program:

25 (a) Shall clearly distinguish, where appropriate, public health interpretations from the raw data;

26 (b) May, where feasible, indicate specifically which hazardous substances and toxic substances
27 are being released into the local air, water and land; and

28 (c) Shall include locations where a person may obtain epidemiological statistics related to health
29 effects of the hazardous substances and toxic substances, if available.

30 (7) For any hazardous substance or toxic substance that a local government proposes to require
31 an employer to report under a local community right to know regulatory program established pur-
32 suant to this section, the local government shall seek written and oral public comment and provide
33 written notice to interested parties prior to adoption as a reporting requirement. The local govern-
34 ment must provide the public with an opportunity to comment on the appropriateness of reporting
35 on the proposed hazardous substance or toxic substance, including but not limited to commenting
36 on health and environmental considerations, economic concerns and feasibility of compliance. The
37 local government shall consider the comments before adopting a list or making additions to a list
38 of hazardous substances and toxic substances to be reported.

39 (8) In administering a local community right to know regulatory program, a local government
40 shall establish procedures to exempt, when reasonable, an entity from all or part of the local pro-
41 gram for the purpose of protecting trade secrets or where the local government determines that the
42 operations of the entity pose little or no risk to the public health or the environment.

43 (9) Except as prohibited by federal or state law, a local program may not differentiate between
44 public and private employers.

45 (10) Nothing in this section shall be construed to limit the authority of a local government to:

1 (a) Distribute information collected under the state Community Right to Know and Protection
 2 Act; or

3 (b) Adopt or enforce a local ordinance, rule or regulation strictly necessary to comply with:

4 (A) The Uniform Building Code as adopted and amended by the Director of the Department of
 5 Consumer and Business Services;

6 (B) A uniform fire code; or

7 (C) Any requirement of a state or federal statute, rule or regulation, including but not limited
 8 to those controlling hazardous substances, toxic substances or other environmental contaminants.

9 **SECTION 1261.** ORS 453.605 is amended to read:

10 453.605. As used in ORS 453.605 to 453.800, unless the context requires otherwise:

11 (1) "By-product material" means radioactive material, other than special nuclear material, that
 12 is yielded or made radioactive by exposure to the radiation incident to the process of producing or
 13 utilizing special nuclear material.

14 (2) "Electronic product" means any manufactured product or device or component part of such
 15 a product or device that has an electronic circuit which during operation can generate or emit a
 16 physical field of radiation, such as, but not limited to microwave ovens, laser systems or diathermy
 17 machines.

18 (3) "Federal government" means the United States or any agency or instrumentality of the
 19 United States.

20 (4) "General license" means a license, effective under rules of the Oregon [*Health Authority*]
 21 **Department of Health** without the filing of an application, to acquire, own, possess, use or transfer
 22 a device or equipment that produces radiation, or a quantity of, or a device or equipment that uti-
 23 lizes, by-product material, source material, special nuclear material or other radioactive material
 24 that occurs naturally or is produced artificially.

25 (5) "Person" means any of the following other than the United States Atomic Energy Commis-
 26 sion or any successor thereto:

27 (a) Individual, group, association, firm, partnership, corporation, trust, estate, agency or public
 28 or private institution;

29 (b) Political subdivision or agency of this state;

30 (c) State other than this state or any political subdivision or agency of a state other than this
 31 state; or

32 (d) The legal successor, representative, agent or agency of a person listed in paragraphs (a) to
 33 (c) of this subsection.

34 (6) "Radiation" means:

35 (a) Ionizing radiation including gamma rays, X-rays, alpha and beta particles, protons, neutrons
 36 and other atomic or nuclear particles or rays.

37 (b) Any electromagnetic radiation that can be generated during the operations of electronic
 38 products and that the Oregon [*Health Authority*] **Department of Health** has determined to present
 39 a biological hazard to the occupational or public health and safety but does not mean
 40 electromagnetic radiation that can be generated during the operation of an electronic product that
 41 is licensed by the Federal Communications Commission.

42 (c) Any sonic, ultrasonic or infrasonic waves that are emitted from an electronic product as a
 43 result of the operation of an electronic circuit in such product and that the [*authority*] **department**
 44 has determined to present a biological hazard to the occupational or public health and safety.

45 (7) "Source material" means:

1 (a) Uranium, thorium or any other material that the Oregon [*Health Authority*] **Department of**
 2 **Health** declares to be essential to the production of special nuclear material by an order made after
 3 the United States Atomic Energy Commission or any successor thereto has determined the material
 4 to be source material; or

5 (b) Ore that contains such a concentration of one or more materials mentioned in paragraph (a)
 6 of this subsection that the [*authority*] **department** declares the ore to be essential to the production
 7 of special nuclear material by an order made after the United States Atomic Energy Commission
 8 or any successor thereto has determined such ore to be source material.

9 (8) "Special nuclear material" means any of the following that is not source material:

10 (a) Plutonium, uranium 233, uranium enriched in the isotope 233 or in the isotope 235, or any
 11 other material that the Oregon [*Health Authority*] **Department of Health** declares to be capable
 12 of releasing substantial quantities of atomic energy by an order made after the United States Atomic
 13 Energy Commission or any successor thereto has determined the material to be special nuclear
 14 material.

15 (b) Material artificially enriched by any material mentioned in paragraph (a) of this subsection.

16 (9) "Specific license" means a license, issued after application, to receive, acquire, own, possess,
 17 use, manufacture, produce or transfer a device or equipment that produces radiation, or a quantity
 18 of, or a device or equipment that utilizes, by-product material, source material or special nuclear
 19 material or other radioactive material that occurs naturally or is produced artificially.

20 (10) "Vendor" means a person who is licensed under ORS 453.671.

21 (11) "X-ray machine" means a device or equipment that produces radiation when in operation
 22 but does not utilize by-product material, source material, special nuclear material or other radioac-
 23 tive material that occurs naturally or is produced artificially.

24 (12) "X-ray machine registration" means an authorization granted by the Oregon [*Health Au-*
 25 *thority*] **Department of Health** allowing the operation of an X-ray machine.

26 **SECTION 1262.** ORS 453.635 is amended to read:

27 453.635. (1) The Oregon [*Health Authority*] **Department of Health** is the State Radiation Con-
 28 trol Agency, but ORS 453.605 to 453.800 do not apply to a radiation source while it is being trans-
 29 ported on a railroad car or in a motor vehicle subject to and in conformity with rules adopted by
 30 the Department of Transportation nor do they apply to any matter other than transportation of ra-
 31 diation sources within the authority of the Energy Facility Siting Council under ORS chapter 469.
 32 To protect occupational and public health and safety against radiation hazards the [*authority*]
 33 **Oregon Department of Health** shall:

34 (a) Develop programs to evaluate hazards associated with the use of radiation sources; and

35 (b) With due regard for compatibility with the regulatory programs of the federal government,
 36 promulgate standards and make reasonable regulations relating to registration, licensing, use, han-
 37 dling, transport, storage, disposal, other than disposal regulated by ORS 469.300 to 469.563, 469.590
 38 to 469.619 and 469.930, and control of radiation sources, including but not limited to by-product
 39 materials, source materials and special nuclear materials.

40 (2) To protect occupational and public health and safety against radiation hazards the
 41 [*authority*] **Oregon Department of Health** or its authorized representative may:

42 (a) Advise, consult and cooperate with other agencies of this state, the federal government,
 43 other states, interstate agencies, political subdivisions of this state or other states and with groups
 44 concerned with control of radiation sources;

45 (b) Encourage, participate in or conduct studies, investigations, training, research or demon-

1 strations relating to control of radiation sources;

2 (c) Accept and administer loans, grants or other funds or gifts, conditional or otherwise, from
3 the federal government or from any other source, public or private;

4 (d) Collect and disseminate information relating to control of radiation sources; and

5 (e) Subject to any applicable provision of the State Personnel Relations Law, appoint officers
6 and employees and prescribe their duties and fix their compensation.

7 **SECTION 1263.** ORS 453.645 is amended to read:

8 453.645. The Director of the Oregon [*Health Authority*] **Department of Health** shall appoint a
9 Radiation Advisory Committee to advise the Oregon [*Health Authority*] **Department of Health** on
10 matters relating to radiological health and radiation protection. The committee shall consist of
11 eight persons who because of their training and experience are qualified to advise the [*authority*]
12 **department** on such matters and they shall serve at the pleasure of the director. The members of
13 the Radiation Advisory Committee are entitled to compensation and expenses as provided in ORS
14 292.495.

15 **SECTION 1264.** ORS 453.665 is amended to read:

16 453.665. (1) Subject to subsection (2) of this section, the Oregon [*Health Authority*] **Department**
17 **of Health** shall provide for the issuance, allowance, modification, amendment, revision, suspension
18 and revocation of general and specific licenses that relate to by-product materials, source materials
19 or special nuclear materials and to devices or equipment that utilize any of those materials. The
20 [*authority*] **department** may not require a specific license for the use of an X-ray machine within
21 the limits of the license by a licensed dentist, chiropractist or veterinarian or by a person licensed
22 to practice medicine, chiropractic, naturopathic medicine or any other system or method of healing.
23 Otherwise the [*authority*] **department** may require registration or a general or specific license or
24 both registration and a general or specific license with respect to any radiation source.

25 (2)(a) Each application for a specific license shall be in writing and shall state such information
26 as the [*authority*] **department** by rule determines both to be necessary to decide the applicant's
27 technical, insurance, financial or other qualifications and to be reasonable and necessary to protect
28 occupational and public health and safety. At any time after the filing of the application for and
29 before the expiration of a specific license the [*authority*] **department** may require further written
30 statements, and may cause inspections to be made as the [*authority*] **department** considers neces-
31 sary, to determine whether the license should be granted, denied, modified, amended, revised, sus-
32 pended or revoked. An application for a specific license or any statement relating to that application
33 or to any license must be signed by the applicant or licensee.

34 (b) Each license shall be in such form and contain terms and conditions the [*authority*] **depart-**
35 **ment** considers necessary to protect the occupational and public health and safety.

36 (c) A general or specific license or right to possess or use a radiation source under a general
37 or specific license may not be assigned in any manner without the approval of the [*authority*] **de-**
38 **partment**.

39 (d) The terms and conditions of any general or specific license may be modified, amended or
40 revised by rule or order.

41 (e) Subject to any requirement for registration, the [*authority*] **department** may by rule recog-
42 nize a license from any other state or from the federal government as compliance with a license
43 requirement of this section or of ORS 453.635.

44 (f) When the [*authority*] **department** finds that a radiation source, a use of a radiation source,
45 a user of a radiation source or a class of such sources, uses or users will not constitute a significant

1 risk to the health and safety of the public, the [authority] **department** may exempt the source, use,
2 user or class, as the case may be, from any requirement for registration or a license.

3 **SECTION 1265.** ORS 453.671 is amended to read:

4 453.671. (1) Each person shall obtain a vendor license from the Oregon [Health Authority] **De-**
5 **partment of Health** before engaging in the business of:

6 (a) Selling, leasing, transferring, lending, installing, marketing, servicing, inspecting, repairing
7 or calibrating a radiation device or equipment, including an X-ray machine and tanning device; or

8 (b) Providing consulting services to an owner or operator of a radiation device or equipment,
9 including an X-ray machine and tanning device.

10 (2) The [authority] **department** shall require a person to pay an annual \$500 fee to obtain or
11 renew the vendor license under subsection (1) of this section.

12 (3) The [authority] **department** may adopt rules to carry out this section.

13 **SECTION 1266.** ORS 453.675 is amended to read:

14 453.675. (1) When in the opinion of the Governor, such agreements will promote public health
15 and safety and assist in the peaceful uses of radiation sources, the Governor on behalf of this state
16 shall enter into agreements with the federal government providing for discontinuance of certain of
17 the federal government's responsibilities with respect to radiation sources and the assumption
18 thereof by this state.

19 (2) When a person immediately before the effective date of an agreement under subsection (1)
20 of this section has a license from the federal government to do anything which relates to by-product
21 material, source material or special nuclear material and which on the effective date of the agree-
22 ment is subject to the control of this state, the person shall be considered to have a like license
23 under ORS 453.605 to 453.800 until the expiration date specified in the license from the federal
24 government or until the end of the 90th day after the person receives notice from the Oregon [Health
25 Authority] **Department of Health** that the license will be considered expired, whichever is earlier.

26 **SECTION 1267.** ORS 453.685 is amended to read:

27 453.685. (1) The Director of the Oregon [Health Authority] **Department of Health** may enter
28 at any reasonable time upon any private or public property, with the permission of the owner or
29 custodian, to determine whether there is compliance with ORS 453.605 to 453.800 and rules lawfully
30 issued pursuant thereto. When such permission is not obtained or given, if the director has grounds
31 to believe that a violation of ORS 453.605 to 453.800 or rules lawfully issued pursuant thereto exists,
32 the director may apply to the proper judicial officer for a warrant to enter upon the property for
33 purposes of inspection, search or seizure consonant with the scope of ORS 453.605 to 453.800; except
34 that in a case where the director has grounds to believe that a violation of ORS 453.605 to 453.800
35 or rules pursuant thereto exists which presents a clear and present danger to the health, safety or
36 security of the state or its citizens, the director may make such entry of property as is reasonable
37 to abate the danger involved and for that purpose.

38 (2) Upon application to the proper judicial officer for a warrant to enter property under this
39 section, the judicial officer shall forthwith summarily determine whether or not grounds to issue
40 such warrant exists, and if the judicial officer finds such exists, the judicial officer shall immediately
41 issue a warrant authorizing entry by the director upon the described property for the purposes of
42 ORS 453.605 to 453.800. The director shall not be liable for injury or damage resulting from the
43 action taken or authorized in good faith and without malice under the apparent authority of this
44 section, even though such action is later judicially determined to be unlawful.

45 **SECTION 1268.** ORS 453.695 is amended to read:

1 453.695. (1) When the Oregon [*Health Authority*] **Department of Health** by regulation so re-
2 quires, any person who possesses or uses a radiation source shall cause to be made, in the manner
3 prescribed by the [*authority*] **department**, records relating to the receipt, storage, transfer and dis-
4 position of the source and to such other matters as the [*authority*] **department** prescribes.

5 (2) Any person who possesses or uses a radiation source shall cause to be made, in the manner
6 prescribed by the [*authority*] **department**, records showing the radiation exposure of any individual
7 who is affected by such possession or use and for whom the [*authority*] **department** by regulation
8 requires personnel monitoring.

9 (3)(a) Each person who possesses or uses a radiation source and who has reason to believe that
10 any individual has received from that source radiation exposure in excess of the maximum permis-
11 sible exposure established for an individual by regulations of the [*authority*] **department** shall give
12 that individual notice of the possible exposure with a copy of any record of the exposure.

13 (b) Any person who possesses or uses a radiation source and who, in connection with that pos-
14 session or use, employs an individual for whom the [*authority*] **department** by regulation requires
15 personnel monitoring, in addition to any requirement of paragraph (a) of this subsection shall, if the
16 individual so requests or if regulations of the [*authority*] **department** so require, give the individual
17 a copy of the individual's personnel monitoring exposure record annually and at the end of the em-
18 ployment.

19 (4) Upon the request of the [*authority*] **department** or its authorized representative, the custo-
20 dian of any record required by this section shall give a copy of that record to the [*authority*] **de-**
21 **partment** or its authorized representative.

22 **SECTION 1269.** ORS 453.705 is amended to read:

23 453.705. When a radiation source is in the possession, custody or control of any person who is
24 not equipped to observe or who fails to observe any applicable provision of or regulation pursuant
25 to ORS 453.605 to 453.800, upon the issuance of an emergency order under ORS 453.807 the Oregon
26 [*Health Authority*] **Department of Health** or its authorized representative may cause that source
27 to be impounded.

28 **SECTION 1270.** ORS 453.715 is amended to read:

29 453.715. When the Oregon [*Health Authority*] **Department of Health** in writing notifies the At-
30 torney General that, in the judgment of the [*authority*] **department**, a person has engaged or is
31 about to engage in any act or practice that constitutes or will constitute a violation of any provision
32 of or regulation pursuant to ORS 453.605 to 453.800, if the [*authority*] **department** so requests, the
33 Attorney General shall apply to the circuit court for the county of that person's residence for an
34 order enjoining such act or practice, or for an order directing compliance; and upon a showing by
35 the [*authority*] **department** that that person has engaged or is about to engage in any such act or
36 practice, the court may grant a permanent or temporary injunction or restraining order or other
37 order.

38 **SECTION 1271.** ORS 453.729 is amended to read:

39 453.729. (1) The Oregon [*Health Authority*] **Department of Health** shall adopt by rule standards
40 and a system of registration for tanning devices. Any entity doing business in this state as a tanning
41 facility must register with the [*authority*] **department**, in a manner prescribed by the [*authority*]
42 **department** by rule, each tanning device at the tanning facility that is accessible by an individual
43 who is afforded the use of a tanning device as a condition or benefit or as part of a membership in
44 exchange for a fee or other compensation.

45 (2) The registration shall include payment of an annual registration fee, not to exceed \$200 per

1 tanning device, in an amount prescribed by the [authority] **department** by rule that is sufficient to
2 cover the costs of administering the regulatory program.

3 (3) The [authority] **department** may conduct inspections of tanning facilities to ensure compli-
4 ance with ORS 453.726 to 453.734.

5 **SECTION 1272.** ORS 453.730 is amended to read:

6 453.730. (1) A tanning facility shall give each customer a written statement warning that:

7 (a) Not wearing the protective eye wear provided to each customer by the tanning facility may
8 cause damage to the eyes.

9 (b) Overexposure to the tanning process causes burns.

10 (c) Repeated exposure to the tanning process may cause skin cancer or premature aging of the
11 skin, or both.

12 (d) Abnormal skin sensitivity or burning may result from the tanning process if the customer is
13 also consuming or using certain:

14 (A) Foods.

15 (B) Cosmetics.

16 (C) Medications such as tranquilizers, antibiotics, diuretics, high blood pressure medication,
17 antineoplastics or birth control pills.

18 (e) Any person taking a prescription or over-the-counter drug should consult a physician before
19 using a tanning device.

20 (2) In addition to giving customers the written statement required by subsection (1) of this sec-
21 tion, the tanning facility shall post a warning sign in any area where a tanning device is used. The
22 Oregon [Health Authority] **Department of Health** shall adopt by rule the language for the warning
23 sign.

24 **SECTION 1273.** ORS 453.731 is amended to read:

25 453.731. The Oregon [Health Authority] **Department of Health** may impose a civil penalty in
26 an amount not to exceed \$500 for a violation of ORS 453.726 to 453.734 or rules of the [authority]
27 **department** adopted pursuant to ORS 453.726 to 453.734. Civil penalties under this section shall be
28 imposed in the manner provided by ORS 183.745.

29 **SECTION 1274.** ORS 453.732 is amended to read:

30 453.732. Except as otherwise provided by law, all fees and other moneys received by the Oregon
31 [Health Authority] **Department of Health** pursuant to ORS 453.726 to 453.734 shall be paid into the
32 State Treasury and placed to the credit of the Public Health Account and are continuously appro-
33 priated to the [authority] **department** for the purposes of carrying out the provisions of ORS 453.726
34 to 453.734. If moneys received under ORS 453.726 to 453.734 are in excess of moneys required to
35 administer the program authorized by ORS 453.726 to 453.734, the moneys may be used by the [au-
36 thority] **department** to meet expenses of other programs administered by the [authority] **department**
37 if an appropriate expenditure increase is approved by the Emergency Board.

38 **SECTION 1275.** ORS 453.734 is amended to read:

39 453.734. (1)(a) Except as provided in paragraph (b) of this subsection, an entity doing business
40 in this state as a tanning facility may not allow a person who is under 18 years of age to use a
41 tanning device that is owned or operated by the entity.

42 (b) An entity may allow a person who is under 18 years of age to use a tanning device that is
43 owned or operated by the entity if:

44 (A) The person or the parent or legal guardian of the person provides the entity with doc-
45 umentation that a physician licensed under ORS chapter 677 has recommended that the person use

1 a tanning device for a medical purpose; and

2 (B) The entity only allows the person to use a tanning device according to the terms of the
3 physician's recommendation.

4 (2) An entity doing business in this state as a tanning facility shall post in conspicuous view
5 notice of the prohibition described in subsection (1) of this section.

6 (3) The Oregon [*Health Authority*] **Department of Health** shall adopt rules necessary to imple-
7 ment the provisions of this section.

8 **SECTION 1276.** ORS 453.745 is amended to read:

9 453.745. (1) Subject to the approval of the Governor, to protect the public health and safety and
10 to assist in the peaceful uses of radiation sources the Oregon [*Health Authority*] **Department of**
11 **Health** may cooperate with the federal government, other states or interstate agencies to perform
12 functions, including inspection, that relate to control of radiation sources.

13 (2) The [*authority*] **department** may institute programs to qualify personnel to carry out the
14 provisions of ORS 453.605 to 453.800 and may make those personnel available for participation with
15 the federal government, other states or interstate agencies in any program in furtherance of the
16 purposes of ORS 453.605 to 453.800.

17 **SECTION 1277.** ORS 453.752 is amended to read:

18 453.752. (1) An X-ray machine may not be operated unless the X-ray machine has a valid X-ray
19 machine registration.

20 (2) Prior to issuance of an X-ray machine registration to a hospital, the X-ray machine shall be
21 approved by an X-ray machine inspector employed by the Oregon [*Health Authority*] **Department**
22 **of Health** or inspected by an accredited radiology inspector. The inspector shall also review pro-
23 cedures used during X-ray machine operation and the adequacy of the physical surroundings and
24 equipment used in conjunction with operation of the X-ray machine.

25 (3) Prior to issuance of an X-ray machine registration to a facility other than a hospital, the
26 X-ray machine shall be approved by an X-ray machine inspector employed by the [*authority*] **de-**
27 **partment.**

28 (4) An accredited radiology inspector conducting a registration inspection on a hospital X-ray
29 machine shall conduct information gathering tests in the manner required by the [*authority*] **de-**
30 **partment.** The inspector shall make calculations in the manner prescribed by the [*authority*] **de-**
31 **partment** and shall enter the results and such other information as the [*authority*] **department** may
32 require on a form provided by the [*authority*] **department.**

33 (5) The [*authority*] **department** shall evaluate the test results submitted by an accredited
34 radiology inspector and shall grant a hospital X-ray machine registration provided that all standards
35 adopted by rule of the [*authority*] **department** are met, a properly completed registration application
36 has been submitted by the X-ray machine owner and all required fees have been paid.

37 (6) When an X-ray machine is registered by the [*authority*] **department**, the [*authority*] **depart-**
38 **ment** shall issue the X-ray machine owner a document, sticker, plate or other device selected by the
39 [*authority*] **department** to evidence registration of the X-ray machine.

40 **SECTION 1278.** ORS 453.754 is amended to read:

41 453.754. (1) Each application for an X-ray machine registration shall be in writing and shall state
42 such information as the Oregon [*Health Authority*] **Department of Health** by regulation determines
43 to be necessary. The application shall be accompanied by the registration fee due under ORS
44 453.757.

45 (2) Not less than 90 nor more than 120 days prior to the expiration of an X-ray machine regis-

1 tration, the [authority] **department** shall mail notice to the X-ray machine owner of the pending
 2 expiration of the registration. The notice shall inform the owner of the requirements for renewing
 3 the registration.

4 **SECTION 1279.** ORS 453.757 is amended to read:

5 453.757. (1) The Oregon [Health Authority] **Department of Health** shall impose the following
 6 biennial registration fees for a registration issued under ORS 453.752:

- 7 (a) For a dental, academic or veterinary X-ray tube, \$210.
- 8 (b) For an industrial or podiatry X-ray tube, \$285.
- 9 (c) For a hospital, radiological, chiropractic, osteopathic or medical X-ray tube, \$427.
- 10 (d) For a computed tomography X-ray tube, \$600.
- 11 (e) For a mammography X-ray tube, \$800.
- 12 (f) For a therapy or interventional X-ray tube, \$1,000.
- 13 (g) For a microwave oven repair facility, \$140.

14 (2) The [authority] **department** shall impose an annual license fee for a specific license granted
 15 under ORS 453.665 that may not exceed \$5,000 as determined by the [authority] **department** by rule
 16 and approved by the Oregon Department of Administrative Services.

17 (3) The fees described in subsections (1)(g) and (2) of this section are due and payable as pre-
 18 scribed by the [authority] **Oregon Department of Health** by rule.

19 (4) The [authority] **Oregon Department of Health** shall impose a \$264 fee for:

- 20 (a) Initial accreditation as a radiology inspector; and
- 21 (b) Biennially renewing accreditation as a radiology inspector.

22 (5) All moneys received by the [authority] **Oregon Department of Health** under subsections
 23 (1)(g) and (2) of this section shall be paid into the State Treasury, deposited in the General Fund to
 24 the credit of the Public Health Account, and used by the [authority] **department** exclusively for the
 25 purposes of ORS 453.605 to 453.800.

26 **SECTION 1280.** ORS 453.761 is amended to read:

27 453.761. (1) An X-ray machine registration for a hospital radiological provider shall be valid for
 28 two years, expiring in the second year on the last day of the month of issuance.

29 (2) An X-ray machine registration for a chiropractic, osteopathic or medical doctor office or
 30 clinic shall be valid for two years, expiring in the second year on the last day of the month of is-
 31 suance.

32 (3) An X-ray machine registration for a podiatry, dental or veterinary office or clinic or an ac-
 33 ademic or industrial facility shall be valid for two years, expiring in the second year on the last day
 34 of the month of issuance.

35 (4) Notwithstanding subsection (1), (2) or (3) of this section, the Oregon [Health Authority] **De-**
 36 **partment of Health** shall, at the request of the X-ray machine owner, adjust the registration expi-
 37 ration date of any X-ray machine to coincide with the registration expiration date of other X-ray
 38 machines registered to the machine owner. The [authority] **department** shall prorate the registra-
 39 tion fee accordingly.

40 (5) If an X-ray machine or the physical surroundings or equipment associated with the operation
 41 of the X-ray machine does not comply with one or more standards adopted by rule of the
 42 [authority] **department**, the [authority] **department** may deny the registration or may grant a pro-
 43 visional registration permitting temporary operation pending compliance with [authority] **depart-**
 44 **ment** standards.

45 (6) The [authority] **department** may require that X-ray machines having a valid registration be

1 repaired, calibrated or modified or the physical surroundings or equipment used in conjunction with
 2 the operation of the registered X-ray machine be changed to comply with new standards adopted by
 3 rule of the [authority] **department** provided that compliance prior to expiration of the registration
 4 is determined by the [authority] **department** to be necessary to protect occupational and public
 5 health and safety.

6 (7) The [authority] **department** may deny, condition, suspend or revoke an X-ray machine reg-
 7 istration if the [authority] **department** reasonably believes that the X-ray machine or the physical
 8 surroundings or equipment used in conjunction with the operation of the X-ray machine presents a
 9 danger to the health or safety of the operator or the public.

10 (8) An X-ray machine registration shall terminate if the X-ray machine is relocated for use in
 11 a physical surrounding other than the physical surrounding the X-ray machine occupied when in-
 12 spected.

13 **SECTION 1281.** ORS 453.771 is amended to read:

14 453.771. Upon a complaint by any person, the Oregon [Health Authority] **Department of Health**
 15 may investigate any alleged act prohibited by ORS 453.766. If, after investigation by an [authority]
 16 **department**-employed X-ray machine inspector, the [authority] **department** has reason to believe a
 17 prohibited act has been committed, the [authority] **department** may impose a civil penalty. Any
 18 person subject to a civil penalty under this section may request a hearing before the [authority]
 19 **department**. The hearing shall be conducted in accordance with ORS 183.413 to 183.470.

20 **SECTION 1282.** ORS 453.775 is amended to read:

21 453.775. The Oregon [Health Authority] **Department of Health** shall:

22 (1) Develop programs to evaluate hazards associated with the use of X-ray machines.

23 (2) Promulgate standards and make reasonable regulations relating to the registration of X-ray
 24 machines, X-ray machine operation, physical surroundings and equipment related to the operation
 25 of X-ray machines, operator training and approved X-ray machine operating practices.

26 (3) Collect and disseminate information relating to proper X-ray machine operation.

27 (4) Provide technical assistance and safety information to X-ray machine users.

28 **SECTION 1283.** ORS 453.780 is amended to read:

29 453.780. (1) All applicants for accreditation as radiology inspectors shall possess at a minimum
 30 one of the following combinations of education and experience:

31 (a) One year of experience and one of the following:

32 (A) Certification by the American Board of Radiology or the American Board of Health Physics;

33 (B) A doctoral degree in a physical or biological science; or

34 (C) A Doctor of Medicine degree or a degree recognized by the Oregon [Health Authority] **De-**
 35 **partment of Health** as an equally qualified health professional degree.

36 (b) Two years of experience and a master's degree in a physical or biological science.

37 (c) Four years of experience and a bachelor's degree in a physical or biological science.

38 (d) Six years of experience and an associate's degree in a physical or biological science.

39 (2) Experience required of an applicant includes, but is not limited to, measuring ionizing radi-
 40 ation, evaluating radiation safety and documenting radiation protection needs.

41 (3) In addition to meeting the education and experience requirements of this section, applicants
 42 shall be tested on knowledge of [authority] **department** rules governing the X-ray machine in-
 43 spection program, including but not limited to safety requirements and inspection procedures. Ap-
 44 plicants shall also complete such additional written or practical testing as the [authority]
 45 **department** may require.

1 (4) A license shall not be issued to an applicant unless the applicant has paid all required fees.

2 **SECTION 1284.** ORS 453.785 is amended to read:

3 453.785. (1) Accreditation as a radiology inspector shall be valid for two years and shall expire
4 in the second year on the last day of the month of issuance unless renewed.

5 (2) Accreditation may be renewed if the radiology inspector has complied with the continuing
6 education requirements adopted by rule of the Oregon [*Health Authority*] **Department of Health**
7 and has paid the renewal fee.

8 **SECTION 1285.** ORS 453.790 is amended to read:

9 453.790. The Oregon [*Health Authority*] **Department of Health** may condition, suspend, revoke
10 or refuse to renew accreditation of a radiology inspector for the following reasons:

11 (1) Knowingly falsifying information included on the inspection report form supplied by the
12 [*authority*] **department**.

13 (2) Substantially failing to comply with [*authority*] **department** procedures.

14 (3) Failing to meet [*authority*] **department** accuracy requirements.

15 (4) Such other grounds as the [*authority*] **department** may establish by rule.

16 **SECTION 1286.** ORS 453.795 is amended to read:

17 453.795. The Oregon [*Health Authority*] **Department of Health** shall:

18 (1) Develop testing, training and continuing education standards for accredited radiology in-
19 spectors.

20 (2) Adopt rules for the proper inspection of X-ray machines for registration purposes and for
21 regulating the professional activities of accredited radiology inspectors.

22 (3) Develop and implement audit programs using [*authority*] **department**-employed X-ray ma-
23 chine inspectors to monitor accredited radiology inspector results and to monitor changes in the
24 performance of registered X-ray machines during the registration period. No charge shall be made
25 to an X-ray machine owner for an audit.

26 (4) Investigate and resolve complaints against accredited radiology inspectors and their em-
27 ployers.

28 **SECTION 1287.** ORS 453.800 is amended to read:

29 453.800. (1) There is created in the General Fund of the State Treasury an X-ray Machine In-
30 spection Account. Moneys credited to the account are continuously appropriated to the Oregon
31 [*Health Authority*] **Department of Health** for the carrying out of ORS 453.752 to 453.795.

32 (2) All registration fees paid pursuant to ORS 453.757 (1) by owners of X-ray machines, all ap-
33 plication or renewal fees paid by applicants for accreditation as radiology inspectors under ORS
34 453.757 (4) and all civil penalties collected under ORS 453.771 are credited to the X-ray Machine
35 Inspection Account.

36 **SECTION 1288.** ORS 453.805 is amended to read:

37 453.805. (1) Whenever it appears to the Director of the Oregon [*Health Authority*] **Department**
38 **of Health** that a radiation source is presenting an imminent and substantial endangerment to the
39 health or safety of persons, the director may, without the necessity of prior administrative proce-
40 dures or hearing, enter an order requiring the person or persons responsible for the radiation source
41 to immediately take such action as is necessary to eliminate the endangerment. The director shall,
42 if requested, provide a prompt hearing after such order, in accordance with ORS chapter 183, after
43 which the order shall be continued, modified or revoked.

44 (2) If any person fails to comply with an order issued pursuant to subsection (1) of this section,
45 the circuit court for the county in which the radiation source is located shall compel compliance

1 with the order in the same manner as with an order of that court.

2 **SECTION 1289.** ORS 453.807 is amended to read:

3 453.807. (1) Where the Oregon [*Health Authority*] **Department of Health** proposes to refuse to
4 issue or renew a license, to modify, amend, revise, revoke or suspend a license or to determine
5 compliance with or grant exemption from a regulation of the [*authority*] **department**, opportunity
6 for hearing shall be accorded as provided in ORS chapter 183.

7 (2) Promulgation of rules, conduct of hearings, issuance of orders and judicial review of rules
8 and orders shall be in accordance with ORS chapter 183.

9 **SECTION 1290.** ORS 453.864 is amended to read:

10 453.864. The Director of the Oregon [*Health Authority*] **Department of Health** shall adopt rules
11 to carry out ORS 105.555, 431.175 and 453.855 to 453.912. The rules shall be developed in consulta-
12 tion with:

13 (1) The State Fire Marshal or designee;

14 (2) The director of the Poison Control and Drug Information Program of the Oregon Health and
15 Science University, or a designee thereof;

16 (3) The Director of the Department of Environmental Quality, or a designee thereof;

17 (4) The Director of the Department of Consumer and Business Services, or a designee thereof;

18 (5) The Director of Transportation, or a designee thereof; and

19 (6) Any other governmental agency determined appropriate by the Oregon [*Health Authority*]
20 **Department of Health** whose advice and information is necessary for the formulation of the rules
21 authorized by this section.

22 **SECTION 1291.** ORS 453.867 is amended to read:

23 453.867. (1) Unless determined fit for use, pursuant to ORS 105.555, 431.175 and 453.855 to
24 453.912 and rules of the Oregon [*Health Authority*] **Department of Health**, or as authorized by ORS
25 453.870, no person shall transfer, sell, use or rent any property knowing or having reasonable
26 grounds to believe it was used as an illegal drug manufacturing site.

27 (2) All contracts, oral or written, for the transfer, sale, use or rent of property in violation of
28 subsection (1) of this section are voidable between the parties, at the instance of the purchaser,
29 transferee, user or renter. This subsection shall not make voidable any promissory note or other
30 evidence of indebtedness or any mortgage, trust deed or other security interest securing such a
31 promissory note or evidence of indebtedness, where such note or evidence and any such mortgage,
32 trust deed or other security interest were given to a person other than the person transferring,
33 selling, using or renting the property to induce such person to finance the transfer, sale, use or
34 rental of the property. This section shall not impair obligations or duties required to be performed
35 upon termination of a contract, as required by the provisions of the contract, including but not
36 limited to payment of damages or return of refundable deposits.

37 **SECTION 1292.** ORS 453.870 is amended to read:

38 453.870. (1) Any property that is not fit for use as determined under ORS 453.876 may be
39 transferred or sold if full, written disclosure, as required by rules of the Oregon [*Health Authority*]
40 **Department of Health**, is made to the prospective purchaser, attached to the earnest money re-
41 ceipt, if any, and shall accompany but not be a part of the sale document nor be recorded. However,
42 such property shall continue to be subject to the provisions of ORS 453.876, regardless of transfer
43 or sale under this section.

44 (2) Any transferee or purchaser who does not receive the notice described in subsection (1) of
45 this section may set aside the transfer or sale as voidable and bring suit to recover damages for any

1 losses incurred because of the failure to give such notice.

2 (3) The transferor or seller of any property described in subsection (1) of this section shall notify
3 the [authority] **department** of the transfer or sale as required by rule of the [authority]
4 **department**.

5 **SECTION 1293.** ORS 453.873 is amended to read:

6 453.873. For the purposes of enforcement of ORS 105.555, 431.175 and 453.855 to 453.912, the
7 Director of the Oregon [Health Authority] **Department of Health** or a designee thereof or the State
8 Fire Marshal or a designee thereof, upon presenting appropriate credentials and a warrant, if nec-
9 cessary, issued under ORS 431.175 to the owner or agent of the owner, may:

10 (1) Enter, at reasonable times, any property that is known to have been used as an illegal drug
11 manufacturing site or for which there are reasonable grounds to believe that the property has been
12 used as an illegal drug manufacturing site.

13 (2) Inspect, at reasonable times, within reasonable limits and in a reasonable manner, property
14 known to have been used as an illegal drug manufacturing site or for which there are reasonable
15 grounds to believe the property has been used as an illegal drug manufacturing site.

16 **SECTION 1294.** ORS 453.876 is amended to read:

17 453.876. (1) The Director of the Oregon [Health Authority] **Department of Health** or a designee
18 thereof, the State Fire Marshal or a designee thereof or any law enforcement agency may determine
19 that property is not fit for use pursuant to ORS 105.555, 431.175 and 453.855 to 453.912 and appli-
20 cable rules adopted by the Oregon [Health Authority] **Department of Health** and may make that
21 determination on site. The determination is effective immediately and renders the property not fit
22 for use.

23 (2) The owner may appeal the determination, to the agency that made the determination, within
24 30 working days after the determination, pursuant to rules of the agency, or to circuit court.

25 (3) The appeal to the agency is not a contested case under ORS chapter 183. The question on
26 appeal is limited to whether the site is an illegal drug manufacturing site.

27 (4) If a determination that property is not fit for use is made under subsection (1) of this section,
28 a local government or the state may provide notice that the real property has been determined to
29 be an illegal drug manufacturing site and not fit for use to:

30 (a) A person in each residence located within 300 feet of the real property if the real property
31 is located within an urban growth boundary; or

32 (b) A person in each residence located within one quarter mile of the real property if the real
33 property is not located within an urban growth boundary.

34 (5) The notice described in subsection (4) of this section shall be in writing and shall include:

35 (a) The address of the real property that is determined to be not fit for use;

36 (b) A statement that the determination is subject to appeal and that the real property may be
37 determined to be fit for use if the appeal is successful or if the real property is certified as decon-
38 taminated;

39 (c) The telephone number of the office of the Oregon [Health Authority] **Department of Health**
40 that is responsible for overseeing the decontamination of illegal drug manufacturing sites; and

41 (d) The website for the Oregon [Health Authority] **Department of Health** office responsible for
42 overseeing the decontamination of illegal drug manufacturing sites that contains information on the
43 dangers associated with real property that has been used as an illegal drug manufacturing site.

44 **SECTION 1295.** ORS 453.879 is amended to read:

45 453.879. When the Director of the Oregon [Health Authority] **Department of Health** or a

1 designee thereof, the State Fire Marshal or designee thereof or any law enforcement agency makes
 2 a determination that property subject to ORS 105.555, 431.175 and 453.855 to 453.912 is not fit for
 3 use, the Director of the Oregon [*Health Authority*] **Department of Health** or designee thereof shall
 4 notify the Director of the Department of Consumer and Business Services of the determination. The
 5 Director of the Department of Consumer and Business Services shall list the property as not fit for
 6 use until the Director of the Department of Consumer and Business Services is notified that the
 7 property has been certified by the Oregon [*Health Authority*] **Department of Health** pursuant to
 8 ORS 453.885, or the initial determination is reversed on appeal, or the property is destroyed. Upon
 9 receipt of the certificate, the Director of the Department of Consumer and Business Services shall
 10 cause the property to be removed from the list described in this section.

11 **SECTION 1296.** ORS 453.885 is amended to read:

12 453.885. (1) The owner of property determined to be not fit for use under ORS 105.555, 431.175
 13 and 453.855 to 453.912 who desires to have the property certified as fit for use may use the services
 14 of a contractor licensed by the Oregon [*Health Authority*] **Department of Health** to decontaminate
 15 the property or, upon approval by the [*authority*] **department**, the owner, or an agent of the owner,
 16 may perform the decontamination work. The contractor, in coordination with the owner or agent
 17 of the owner, shall prepare and submit a written work plan for decontamination to the [*authority*]
 18 **department**. If the work plan is approved and the decontamination work is completed according to
 19 the plan and is properly documented, the [*authority*] **department** shall certify the property as having
 20 been decontaminated in compliance with rules of the [*authority*] **department**. Upon the completion
 21 of the work plan, the [*authority*] **department** shall require the licensed contractor's affidavit of
 22 compliance with the approved work plan.

23 (2) The property owner shall notify the Director of the Department of Consumer and Business
 24 Services of the certification. No person who is not licensed by the [*authority*] **Oregon Department**
 25 **of Health** under ORS 105.555, 431.175 and 453.855 to 453.912 shall advertise to undertake or perform
 26 the work necessary to decontaminate property determined to be not fit for use under ORS 105.555,
 27 431.175 and 453.855 to 453.912.

28 (3) Upon receipt of the certificate and a request by the property owner to remove the property
 29 from the list, the Director of the Department of Consumer and Business Services shall cause the
 30 property to be removed from the list.

31 **SECTION 1297.** ORS 453.888 is amended to read:

32 453.888. (1) The Oregon [*Health Authority*] **Department of Health** by rule shall establish per-
 33 formance standards for contractors under ORS 105.555, 431.175 and 453.855 to 453.912.

34 (2) The [*authority*] **department** shall train and test, or may approve courses to train and test,
 35 contractors' personnel on the essential elements in assessing premises used as an illegal drug man-
 36 ufacturing site to determine hazard reduction measures needed, techniques for adequately reducing
 37 contaminants, use of personal protective equipment and relevant federal regulations and state rules.

38 (3) Upon the contractor's supervisory personnel's successful completion of the training and
 39 testing and the contractor having complied with the rules of the [*authority*] **department** and having
 40 paid the required fee, the contractor shall be licensed. Licenses are renewable biennially, as deter-
 41 mined by rule of the [*authority*] **department**, upon supervisory personnel's successful completion of
 42 any required refresher course.

43 (4) The [*authority*] **department** may deny, suspend or revoke the license of any contractor pur-
 44 suant to ORS chapter 183 for:

45 (a) Failing to:

- 1 (A) Perform decontamination work under the supervision of trained personnel;
- 2 (B) File a work plan;
- 3 (C) Perform work pursuant to the plan;
- 4 (D) Pay a civil penalty imposed under ORS 105.555, 431.175 and 453.855 to 453.912; or
- 5 (E) Perform work that meets the requirements of ORS 453.903.

6 (b) Committing fraud or misrepresentation in:

- 7 (A) Applying for a license;
- 8 (B) Seeking approval of a work plan; or
- 9 (C) Documenting completion of the work to the *[authority]* **department**.

10 (5) The *[authority]* **department** may impose a civil penalty not to exceed \$500, in addition to
 11 or in lieu of license denial, suspension or revocation, pursuant to ORS chapter 183.

12 **SECTION 1298.** ORS 453.891 is amended to read:

13 453.891. Between the dates of scheduled training for contractors under ORS 453.888, the Oregon
 14 *[Health Authority]* **Department of Health** shall be available to consult with licensed contractors,
 15 as well as those planning to become licensed, on information pertinent to illegal drug manufacturing
 16 sites, including but not limited to chemicals found at such sites and their toxicity, new or revised
 17 decontamination procedures, personal protective equipment and applicable federal regulations and
 18 state rules.

19 **SECTION 1299.** ORS 453.894 is amended to read:

20 453.894. (1) The Oregon *[Health Authority]* **Department of Health** shall establish by rule a
 21 schedule of fees for at least the following:

- 22 (a) Initial licenses and renewal under ORS 105.555, 431.175 and 453.855 to 453.912.
- 23 (b) Training courses and examinations conducted by or on behalf of the *[authority]*
 24 **department**.
- 25 (c) Reexaminations for failing the initial examinations.
- 26 (d) Review of work plans.

27 (2) The fees established under subsection (1) of this section shall be based upon the costs of the
 28 *[authority]* **department** in carrying out the provisions of ORS 105.555, 431.175 and 453.855 to
 29 453.912.

30 (3) If a license renewal application and fee is not received by the *[authority]* **department** within
 31 15 days after the expiration of the license, a penalty of \$100 shall be added and collected.

32 (4) The fees collected under this section shall be paid into the State Treasury and deposited in
 33 the General Fund to the credit of the Public Health Account. Such moneys are continuously appro-
 34 priated to the Oregon *[Health Authority]* **Department of Health** to pay the *[authority's]*
 35 **department's** expenses in administering the provisions of ORS 105.555, 431.175 and 453.855 to
 36 453.912.

37 (5) Subject to prior approval by the Oregon Department of Administrative Services and a report
 38 to the Emergency Board prior to adopting the fee, any fee or change shall be within the budget
 39 authorized by the Legislative Assembly as that budget may be modified by the Emergency Board.

40 **SECTION 1300.** ORS 453.897 is amended to read:

41 453.897. The Oregon *[Health Authority]* **Department of Health** shall provide lists of the names
 42 of contractors licensed under ORS 105.555, 431.175 and 453.855 to 453.912 to the Director of the
 43 Department of Consumer and Business Services who shall distribute the lists to local building code
 44 enforcement agencies. The local agencies shall make the list available on request and shall supply
 45 a copy to any property owner whose property is determined to be not fit for use under ORS 105.555,

1 431.175 and 453.855 to 453.912.

2 **SECTION 1301.** ORS 453.900 is amended to read:

3 453.900. The Oregon [*Health Authority*] **Department of Health** may contract with state or local
4 agencies or private persons to perform any inspection or to obtain any samples relative to deter-
5 mining the adequacy of decontamination work.

6 **SECTION 1302.** ORS 453.903 is amended to read:

7 453.903. The Oregon [*Health Authority*] **Department of Health** shall evaluate annually a num-
8 ber of the property decontamination projects performed by licensed contractors to determine the
9 adequacy of the decontamination work, using the services of an independent environmental con-
10 tractor or state or local agency. If a project fails the evaluation and inspection, the contractor is
11 subject to a civil penalty and license suspension that prohibits the contractor from performing ad-
12 ditional work until deficiencies have been corrected on the project. Civil penalties under this section
13 shall be imposed as provided in ORS 183.745.

14 **SECTION 1303.** ORS 453.909 is amended to read:

15 453.909. Counties and cities by ordinance may prohibit use or occupancy of or provide for reg-
16 ulation of any property so long as such prohibition or regulation is consistent with ORS 105.555,
17 431.175 and 453.855 to 453.912 and rules of the Oregon [*Health Authority*] **Department of Health**.

18 **SECTION 1304.** ORS 453.995 is amended to read:

19 453.995. (1) In addition to any other liability or penalty provided by law, the Oregon [*Health*
20 *Authority*] **Department of Health** may impose a civil penalty on a person for violation of:

21 (a) ORS 453.885; or

22 (b) ORS 453.005 to 453.135 or rules adopted under ORS 453.005 to 453.135 by the [*authority*]
23 **department**.

24 (2) A civil penalty imposed under this section may not exceed \$2,000.

25 (3) ORS 183.745 applies to civil penalties imposed under this section.

26 **SECTION 1305.** ORS 454.235 is amended to read:

27 454.235. (1) The governing body of the municipality, by proposed charter amendment or ordi-
28 nance, may refer the question of acquiring and constructing a disposal or water system, as defined
29 in ORS 448.115, to a vote of its electors, and after approval thereof by a majority of such electors,
30 may authorize the issuance of and cause to be issued bonds of the municipality for such purposes.
31 The bonds may be general obligation, limited obligation or self-liquidating in character in a sum not
32 more than the amount authorized at such election and shall be subject to ORS 454.205 to 454.255.
33 The bonds may provide for payment of principal and interest thereon from service charges to be
34 imposed by the governing body for services to be extended through employment and use of the dis-
35 posal or water system. If service charges are imposed to be paid as provided in ORS 454.225, such
36 portion thereof as may be deemed sufficient shall be set aside as a sinking fund for payment of in-
37 terest on the bond and the principal thereof at maturity.

38 (2)(a) When the Environmental Quality Commission or the Oregon [*Health Authority*] **Depart-**
39 **ment of Health** enters an order pursuant to ORS chapter 183 that requires the acquisition or con-
40 struction of a disposal system or a water system in a municipality, respectively, the governing body
41 of the municipality shall refer to its electors the question of a bond issue in an amount sufficient
42 to finance the necessary acquisition or construction of such disposal or water system. The election
43 shall be held within one year of the date the order of the commission or [*authority*] **department** is
44 entered.

45 (b) If, within eight months after the order of the commission or [*authority*] **department**, the

1 governing body of the municipality has not called an election in compliance with paragraph (a) of
 2 this subsection, the commission or [*authority*] **department**, whichever is appropriate, may apply to
 3 the circuit court of the county in which the municipality is located, or to the Circuit Court of
 4 Marion County for an order compelling the holding of an election.

5 (c) If the electors do not approve the disposal system bond issue, submitted pursuant to para-
 6 graph (a) or (b) of this subsection, the commission may apply to the circuit court of the county in
 7 which the municipality is located or to the Circuit Court of Marion County for an order directing
 8 that self-liquidating bonds of the municipality be issued and sold pursuant to ORS 454.205 to 454.255,
 9 and directing that the proceeds be applied to the acquisition or construction of a disposal system
 10 required to comply with the final order of the commission. If the court finds that the disposal system
 11 required by the final order of the commission is necessary under the rules or standards of the
 12 commission, it shall issue an order directing that such bonds be issued and sold without elector
 13 approval in such an amount as the court finds necessary to acquire or construct such disposal sys-
 14 tem, and that the proceeds be applied for such purposes.

15 (d) Any court proceeding authorized by paragraphs (b) and (c) of this subsection shall be ad-
 16 vanced on the court docket for immediate hearing.

17 **SECTION 1306.** ORS 455.365 is amended to read:

18 455.365. (1) The Building Codes Structures Board and the Residential and Manufactured Struc-
 19 tures Board shall adopt design and construction standards for mitigating radon levels in new resi-
 20 dential buildings that are identified under the structural specialty code as Group R-2 or R-3
 21 buildings and new public buildings. In adopting the standards, the boards shall give consideration
 22 to any standards recommended by the United States Environmental Protection Agency for radon
 23 mitigation systems in buildings.

24 (2) The boards shall make the design and construction standards for mitigating radon levels
 25 applicable in:

26 (a) Baker, Clackamas, Hood River, Multnomah, Polk, Washington and Yamhill Counties; and

27 (b) Any county for which the boards, after consultation with the Oregon [*Health Authority*]
 28 **Department of Health**, consider the standards appropriate due to local radon levels.

29 (3) The Director of the Department of Consumer and Business Services may authorize a
 30 municipality that administers and enforces one or more building inspection programs under ORS
 31 455.148 or 455.150 to also administer and enforce any applicable standards for mitigating radon that
 32 are adopted by the boards.

33 (4) The director, in consultation with the boards, may adopt rules for the implementation, ad-
 34 ministration and enforcement of this section.

35 **SECTION 1307.** ORS 455.680 is amended to read:

36 455.680. (1) Plan approval and permits shall be obtained from the Department of Consumer and
 37 Business Services prior to construction, enlargement or alteration of any recreation park, picnic
 38 park or organizational camp as defined in ORS 446.310.

39 (2) If the department determines that the work conforms to the approved plans and specifica-
 40 tions, it shall issue a final approval which shall, if all other conditions of ORS 455.010 to 455.240,
 41 455.410 to 455.450 and 455.595 to 455.740 are met, authorize the issuance of a license by the Oregon
 42 [*Health Authority*] **Department of Health** to operate the park or, in the case of then currently li-
 43 censed parks, shall authorize continued operation for the remaining part of the licensing year.

44 (3) In accordance with ORS 455.010 to 455.240, 455.410 to 455.450 and 455.595 to 455.740 and in
 45 consultation and agreement with the [*authority, the department*] **Oregon Department of Health, the**

1 **Department of Consumer and Business Services** shall adopt rules to carry out this section. The
2 rules adopted pursuant to this section shall be a specialty code as defined in ORS 455.010.

3 **SECTION 1308.** ORS 458.532 is amended to read:

4 458.532. (1) The Hunger Task Force is established in the Department of Human Services. The
5 task force shall consist of not more than 28 members appointed as follows:

6 (a) The President of the Senate shall appoint one member from among members of the Senate.

7 (b) The Senate Minority Leader shall appoint one member from among members of the Senate.

8 (c) The Speaker of the House of Representatives shall appoint one member from among members
9 of the House of Representatives.

10 (d) The House Minority Leader shall appoint one member from among members of the House
11 of Representatives.

12 (e) The President and the Speaker shall coordinate to jointly appoint one member from among
13 the members of the Legislative Assembly who is serving on a committee or interim committee of the
14 Legislative Assembly related to human services.

15 (f) The Director of Human Services, with the advice of the Director of the Oregon [*Health Au-*
16 *thority*] **Department of Health**, shall appoint the following:

17 (A) Nine members who represent organizations that serve or advocate for people affected by
18 hunger including organizations from among the following:

19 (i) Food banks.

20 (ii) Direct service providers.

21 (iii) Food systems.

22 (iv) The migrant community.

23 (v) The religious community.

24 (vi) Educational institutions.

25 (vii) Poverty-related advocacy or public policy groups.

26 (viii) Culturally specific organizations.

27 (ix) Mutual aid or emergency disaster response.

28 (B) Nine members who represent residents of this state who suffer the highest rates of hunger
29 or who currently lack opportunities for food security because of discrimination based on race or
30 ethnicity or inadequate financial resources.

31 (C) One member representing the Department of Education who has experience in child nutri-
32 tion programs.

33 (D) One member representing the Department of Human Services who has experience in the
34 Supplemental Nutrition Assistance Program.

35 (E) One member representing the Oregon [*Health Authority*] **Department of Health** who has
36 experience in the Women, Infants and Children program.

37 (F) One member representing the State Department of Agriculture.

38 (G) One member representing the Housing and Community Services Department.

39 (2) When selecting members of the task force under subsection (1)(f) of this section, the Director
40 of Human Services shall take into consideration geographic and demographic diversity.

41 (3) A member serves for a three-year term. A member may be reappointed. Before the expiration
42 of the term of a member, the appointing authority shall appoint a successor whose term begins on
43 July 1 next following.

44 (4) If there is a vacancy for any cause, the appointing authority shall make an appointment to
45 become immediately effective for the unexpired term. The appointing authority may appoint a re-

1 placement for any member of the task force who misses more than two consecutive meetings of the
2 task force.

3 (5) A majority of the voting members of the task force membership constitutes a quorum for the
4 transaction of business.

5 (6) Members of the Legislative Assembly appointed to the task force are nonvoting members of
6 the task force and may act in an advisory capacity only.

7 (7) The Director of Human Services shall provide for the payment of appropriate task force op-
8 erating expenses, including but not limited to staff support, based upon the availability of
9 legislatively approved funding for such purposes.

10 **SECTION 1309.** ORS 459.386 is amended to read:

11 459.386. As used in ORS 459.386 to 459.405:

12 (1) "Biological waste" includes blood and blood products, excretions, exudates, secretions,
13 suctionings and other body fluids that cannot be directly discarded into a municipal sewer system,
14 and waste materials saturated with blood or body fluids, but does not include diapers soiled with
15 urine or feces.

16 (2) "Cultures and stocks" includes etiologic agents and associated biologicals, including speci-
17 men cultures and dishes and devices used to transfer, inoculate and mix cultures, wastes from pro-
18 duction of biologicals, and serums and discarded live and attenuated vaccines. "Cultures and
19 stocks" does not include throat and urine cultures.

20 (3) "Disposal" means the final placement of treated infectious waste in a disposal site operating
21 under a permit issued by a state or federal agency.

22 (4) "Infectious waste" includes biological waste, cultures and stocks, pathological waste and
23 sharps.

24 (5)(a) "Pathological waste" includes:

25 (A) Biopsy materials and all human tissues;

26 (B) Anatomical parts that emanate from surgeries, autopsies and obstetrical and laboratory
27 procedures; and

28 (C) Animal carcasses exposed to pathogens in research and the bedding and other waste from
29 such animals.

30 (b) "Pathological waste" does not include teeth or formaldehyde or other preservative agents.

31 (6) "Sharps" includes needles, IV tubing with needles attached, scalpel blades, lancets, glass
32 tubes that could be broken during handling and syringes that have been removed from their original
33 sterile containers.

34 (7) "Storage" means the temporary containment of infectious waste in a manner that does not
35 constitute treatment or disposal of such waste.

36 (8) "Transportation" means the movement of infectious waste from the point of generation over
37 a public highway to any intermediate point or to the point of final treatment.

38 (9) "Treatment" means incineration, sterilization or other method, technique or process ap-
39 proved by the Oregon [*Health Authority*] **Department of Health** that changes the character or
40 composition of any infectious waste so as to render the waste noninfectious.

41 **SECTION 1310.** ORS 459.390 is amended to read:

42 459.390. (1) Infectious waste shall be segregated from other wastes by separate containment at
43 the point of generation. Enclosures used for storage of infectious waste shall be secured to prevent
44 access by unauthorized persons and shall be marked with prominent warning signs.

45 (2) Infectious waste, except for sharps, shall be contained in disposable red plastic bags or con-

1 tainers made of other materials impervious to moisture and strong enough to prevent ripping, tear-
2 ing or bursting under normal conditions of use. The bags or containers shall be closed to prevent
3 leakage or expulsion of solid or liquid wastes during storage, collection or transportation.

4 (3) Sharps shall be contained for storage, collection, transportation and disposal in leakproof,
5 rigid, puncture-resistant red containers that are taped closed or tightly lidded to prevent loss of the
6 contents. Sharps may be stored in such containers for more than seven days.

7 (4) All bags, boxes or other containers for infectious waste and rigid containers of discarded
8 sharps shall be clearly identified as containing infectious waste.

9 (5) Infectious waste shall be stored at temperatures and only for times established by rules of
10 the Oregon [*Health Authority*] **Department of Health**.

11 (6) Infectious waste shall not be compacted before treatment and shall not be placed for col-
12 lection, storage or transportation in a portable or mobile trash compactor.

13 (7) Infectious waste contained in disposable bags as specified in this section shall be placed for
14 collection, storage, handling or transportation in a disposable or reusable pail, carton, box, drum,
15 dumpster, portable bin or similar container. The container shall have a tight-fitting cover and be
16 kept clean and in good repair. The container may be of any color and shall be conspicuously labeled
17 with the international biohazard symbol and the words "Biomedical Waste" on the sides so as to
18 be readily visible from any lateral direction when the container is upright.

19 (8) Each time a reusable container for infectious waste is emptied, the container shall be thor-
20 oughly washed and decontaminated unless the surfaces of the container have been protected from
21 contamination by a disposable red liner, bag or other device removed with the waste.

22 (9) Trash chutes shall not be used to transfer infectious waste between locations where it is
23 contained or stored.

24 (10) Generators that produce 50 pounds or less of infectious waste in any calendar month shall
25 be exempt from the specific requirements of subsections (5), (7) and (8) of this section.

26 **SECTION 1311.** ORS 459.395 is amended to read:

27 459.395. (1) Pathological wastes shall be treated by incineration in an incinerator that provides
28 complete combustion of waste to carbonized or mineralized ash. The ash shall be disposed of as
29 provided in rules adopted by the Environmental Quality Commission. However, if the Department
30 of Environmental Quality determines that incineration is not reasonably available within a
31 wasteshed, pathological wastes may be disposed of in the same manner provided for cultures and
32 stocks.

33 (2) Cultures and stocks shall be incinerated as described in subsection (1) of this section or
34 sterilized by other means prescribed by Oregon [*Health Authority*] **Department of Health** rule.
35 Sterilized waste may be disposed of in a permitted land disposal site if it is not otherwise classified
36 as hazardous waste.

37 (3) Liquid or soluble semisolid biological wastes may be discharged into a sewage treatment
38 system that provides secondary treatment of waste.

39 (4) Sharps and biological wastes may be incinerated as described in subsection (1) of this section
40 or sterilized by other means prescribed by [*authority*] **Oregon Department of Health** rule. Sharps
41 may be disposed of in a permitted land disposal site only if the sharps are in containers as required
42 in ORS 459.390 (3) and are placed in a segregated area of the landfill.

43 (5) Other methods of treatment and disposal may be approved by rule of the commission.

44 **SECTION 1312.** ORS 459.400 is amended to read:

45 459.400. The requirements of ORS 459.386 to 459.405 do not apply to:

1 (1) Waste, other than sharps as defined in ORS 459.386, that is:

2 (a) Generated in the practice of veterinary medicine; and

3 (b) Not capable of being communicated by invasion and multiplication in body tissues and ca-
4 pable of causing disease or adverse health impacts in humans.

5 (2) The removal from a health care facility as defined in ORS 442.015 of a placenta by a
6 postpartum mother pursuant to rules adopted by the Oregon [*Health Authority*] **Department of**
7 **Health**.

8 **SECTION 1313.** ORS 461.500 is amended to read:

9 461.500. (1) Except for such moneys as are necessary to temporarily fund the start-up of the
10 state-operated lottery established by the Constitution of the State of Oregon and this chapter, the
11 Oregon State Lottery shall operate as a self-supporting revenue-raising agency of state government
12 and appropriations, loans or other transfers of state funds may not be made to it.

13 (2) At least 84 percent of the total annual revenues from the sale of state lottery tickets or
14 shares shall be returned to the public in the form of prizes and net revenues benefiting the public
15 purpose described in Article XV, section 4, of the Constitution of the State of Oregon. At least 50
16 percent of the total annual revenues shall be returned to the public in the form of prizes as de-
17 scribed in this chapter. All unclaimed prize money shall remain the property of the commission and
18 shall be allocated to the benefit of the public purpose.

19 (3) No more than 16 percent of the total annual revenues shall be allocated for payment of ex-
20 penses of the state lottery as described in this chapter. To the extent that expenses, including the
21 contingency reserve, of the state lottery are less than 16 percent of the total annual revenues as
22 described in this chapter, any surplus funds shall also be allocated to the benefit of the public pur-
23 pose.

24 (4) For the purpose of ensuring the integrity, security, honesty and fairness of the state lottery,
25 the Oregon State Lottery may use moneys allocated, as costs of administration, for the payment of
26 expenses of the state lottery pursuant to subsection (3) of this section for expenses incurred to:

27 (a) Adopt and implement rules intended to minimize problem gambling risks and mitigate prob-
28 lem gambling harms;

29 (b) Advertise the availability of problem gambling treatment programs in this state, including
30 contact information for the programs;

31 (c) Collect and report data, and establish metrics, regarding problem gambling; and

32 (d) Cooperate with or assist the Oregon [*Health Authority*] **Department of Health** and providers
33 of problem gambling treatment programs to the extent that the cooperation or assistance is con-
34 sistent with the mission, described in ORS 461.200, to operate the state lottery so as to produce the
35 maximum amount of net revenues to benefit the public purpose described in Article XV, section 4,
36 of the Constitution of the State of Oregon, commensurate with the public good.

37 **SECTION 1314.** ORS 461.719 is amended to read:

38 461.719. (1) As used in this section, "assistance" includes:

39 (a) Medical assistance as defined in ORS 414.025.

40 (b) Public assistance as defined in ORS 411.010.

41 (c) Supplemental nutrition assistance provided under ORS 411.806 to 411.845.

42 (d) Any other benefit, aid or assistance for which the Department of Human Services or Oregon
43 [*Health Authority*] **Department of Health** is authorized to issue a final order for an overpayment
44 under ORS chapter 183.

45 (2) The Oregon State Lottery Commission, by rule, shall develop procedures whereby:

1 (a) Before paying any portion of a lottery prize in excess of \$600, the Director of the Oregon
2 State Lottery must check the names of the persons entitled to payment against a computer database
3 containing the names and Social Security numbers of persons that have received an overpayment
4 of assistance for which the Department of Human Services or the Oregon [*Health Authority*] **De-**
5 **partment of Health** has issued a final order for overpayment under ORS chapter 183.

6 (b) When the person is listed in the database, the commission shall:

7 (A) Place a 30-day hold on any payment to the person;

8 (B) Inform the person of the hold; and

9 (C) Notify the [*department or the authority*] **Department of Human Services or the Oregon**
10 **Department of Health** that a recipient of an overpayment of assistance has won a lottery prize in
11 excess of \$600 or is entitled to payment in excess of \$600 on a lottery prize.

12 (c) If a garnishment proceeding is initiated under ORS 18.600 to 18.850 within the 30-day hold
13 period, the commission must continue to hold any payment to the person pending disposition of the
14 proceeding.

15 (d) If a garnishment proceeding is not initiated under ORS 18.600 to 18.850 within the 30-day
16 hold period, the commission shall pay the prize to the person at the end of the 30-day hold period
17 or when the [*department or authority*] **Department of Human Services of the Oregon Department**
18 **of Health** notifies the commission that a garnishment proceeding will not be initiated, whichever is
19 sooner.

20 (3) The commission shall establish and operate a data match system using automated data ex-
21 changes with the [*department and the authority*] **Department of Human Services and the Oregon**
22 **Department of Health** that identifies persons that have received an overpayment of assistance for
23 which a final order for overpayment has been issued by the [*department or the authority*] **Depart-**
24 **ment of Human Services or the Oregon Department of Health** under ORS chapter 183. Any in-
25 formation necessary to identify the person and hold a payment on a prize must be available to the
26 commission through the data match system.

27 (4) The commission shall enter into an agreement regarding the procedures required by sub-
28 sections (2) and (3) of this section with the [*department and the authority*] **Department of Human**
29 **Services and the Oregon Department of Health**.

30 (5) Payment of any past-due child support has priority over the recovery of any overpayment
31 of assistance from a lottery prize under this section.

32 **SECTION 1315.** ORS 466.135 is amended to read:

33 466.135. Upon receipt of an application for a hazardous waste disposal site permit, the Depart-
34 ment of Environmental Quality shall cause copies of the application to be sent to affected state
35 agencies, including the Oregon [*Health Authority*] **Department of Health**, the Public Utility Com-
36 mission, the State Fish and Wildlife Commission and the Water Resources Director. Each agency
37 shall respond by making a recommendation as to whether the permit application should be granted.
38 If the Oregon [*Health Authority*] **Department of Health** recommends against granting the permit,
39 the Environmental Quality Commission must refuse to issue the permit. Recommendation from other
40 agencies shall be considered as evidence in determining whether to grant the permit.

41 **SECTION 1316.** ORS 466.280 is amended to read:

42 466.280. Upon receipt of an application for a PCB disposal facility permit, the Department of
43 Environmental Quality shall cause copies of the application to be sent to affected state agencies,
44 including the Oregon [*Health Authority*] **Department of Health**, the Public Utility Commission, the
45 State Fish and Wildlife Commission and the Water Resources Director. Each agency shall respond

1 within the period specified by the Department of Environmental Quality by making a written rec-
2 ommendation as to whether the permit application should be granted. Recommendation from other
3 agencies shall be considered in determining whether to grant the permit.

4 **SECTION 1317.** ORS 466.605 is amended to read:

5 466.605. As used in ORS 466.605 to 466.680 and 466.990 (3) and (4):

6 (1) "Barrel" means 42 U.S. gallons at 60 degrees Fahrenheit.

7 (2) "Cleanup" means the containment, collection, removal, treatment or disposal of oil or haz-
8 arduous material, site restoration and any investigations, monitoring, surveys, testing and other in-
9 formation gathering required or conducted by the Department of Environmental Quality.

10 (3) "Cleanup costs" means all costs associated with the cleanup of a spill or release incurred
11 by the state, its political subdivision or any person with written approval from the department when
12 implementing ORS 466.205, 466.605 to 466.680, 466.990 (3) and (4) and 466.995 (2) or 468B.320.

13 (4) "Commission" means the Environmental Quality Commission.

14 (5) "Department" means the Department of Environmental Quality.

15 (6) "Director" means the Director of the Department of Environmental Quality.

16 (7) "Hazardous material" means one of the following:

17 (a) A material designated by the commission under ORS 466.630.

18 (b) Hazardous waste as defined in ORS 466.005.

19 (c) Radioactive waste as defined in ORS 469.300, radioactive material identified by the Energy
20 Facility Siting Council under ORS 469.605 and radioactive substances as defined in ORS 453.005.

21 (d) Communicable disease agents as regulated by the Oregon [*Health Authority*] **Department**
22 **of Health** under ORS 431.001 to 431.550, 431.990, 431A.005 to 431A.020, 433.001 to 433.045 and
23 433.110 to 433.770.

24 (e) Hazardous substances designated by the United States Environmental Protection Agency
25 under section 311 of the Federal Water Pollution Control Act, P.L. 92-500, as amended.

26 (8) "Oils" or "oil" includes gasoline, crude oil, fuel oil, diesel oil, lubricating oil, sludge, oil re-
27 fuse and any other petroleum related product.

28 (9) "Person" means an individual, trust, firm, joint stock company, corporation, partnership, as-
29 sociation, municipal corporation, political subdivision, interstate body, the state and any agency or
30 commission thereof and the federal government and any agency thereof.

31 (10) "Reportable quantity" means one of the following:

32 (a) A quantity designated by the commission under ORS 466.625.

33 (b) The least of:

34 (A) The quantity designated for hazardous substances by the United States Environmental Pro-
35 tection Agency pursuant to section 311 of the Federal Water Pollution Control Act, P.L. 92-500, as
36 amended;

37 (B) The quantity designated for hazardous waste under ORS 466.005 to 466.385, 466.990 (1) and
38 (2) and 466.992;

39 (C) Any quantity of radioactive material, radioactive substance or radioactive waste;

40 (D) If spilled into waters of the state, or escape into waters of the state is likely, any quantity
41 of oil that would produce a visible oily slick, oily solids, or coat aquatic life, habitat or property
42 with oil, but excluding normal discharges from properly operating marine engines; or

43 (E) If spilled on land, any quantity of oil over one barrel.

44 (c) Ten pounds unless otherwise designated by the commission under ORS 466.625.

45 (11) "Respond" or "response" means:

1 (a) Actions taken to monitor, assess and evaluate a spill or release or threatened spill or release
 2 of oil or hazardous material;

3 (b) First aid, rescue or medical services, and fire suppression; or

4 (c) Containment or other actions appropriate to prevent, minimize or mitigate damage to the
 5 public health, safety, welfare or the environment that may result from a spill or release or threat-
 6 ened spill or release if action is not taken.

7 (12) "Spill or release" means the discharge, deposit, injection, dumping, spilling, emitting, re-
 8 leasing, leaking or placing of any oil or hazardous material into the air or into or on any land or
 9 waters of the state, as defined in ORS 468B.005, except as authorized by a permit issued under ORS
 10 chapter 454, 459, 459A, 468, 468A, 468B or 469, ORS 466.005 to 466.385, 466.990 (1) and (2) or 466.992
 11 or federal law or while being stored or used for its intended purpose.

12 (13) "Threatened spill or release" means oil or hazardous material is likely to escape or be
 13 carried into the air or into or on any land or waters of the state, including from a ship as defined
 14 in ORS 468B.300 that is in imminent danger of sinking.

15 **SECTION 1318.** ORS 466.615 is amended to read:

16 466.615. Nothing in ORS 466.605 to 466.680, 466.990 (3) and (4) and 466.995 (2) is intended to
 17 grant the Environmental Quality Commission or the Department of Environmental Quality authority
 18 over any radioactive substance regulated by the Oregon [*Health Authority*] **Department of Health**
 19 under ORS chapter 453, or any radioactive material or waste regulated by the State Department of
 20 Energy or Energy Facility Siting Council under ORS chapter 469.

21 **SECTION 1319.** ORS 468.035 is amended to read:

22 468.035. (1) Subject to policy direction by the Environmental Quality Commission, the Depart-
 23 ment of Environmental Quality:

24 (a) Shall encourage voluntary cooperation by the people, municipalities, counties, industries,
 25 agriculture, and other pursuits, in restoring and preserving the quality and purity of the air and the
 26 waters of the state in accordance with rules and standards established by the commission.

27 (b) May conduct and prepare, independently or in cooperation with others, studies, investi-
 28 gations, research and programs pertaining to the quality and purity of the air or the waters of the
 29 state and to the treatment and disposal of wastes.

30 (c) Shall advise, consult, and cooperate with other agencies of the state, political subdivisions,
 31 other states or the federal government, in respect to any proceedings and all matters pertaining to
 32 control of air or water pollution or for the formation and submission to the legislature of interstate
 33 pollution control compacts or agreements.

34 (d) May employ personnel, including specialists and consultants, purchase materials and sup-
 35 plies, and enter into contracts necessary to carry out the purposes set forth in ORS 448.305, 454.010
 36 to 454.040, 454.205 to 454.255, 454.505 to 454.535, 454.605 to 454.755 and ORS chapters 468, 468A and
 37 468B.

38 (e) Shall conduct and supervise programs of air and water pollution control education, including
 39 the preparation and distribution of information regarding air and water pollution sources and con-
 40 trol.

41 (f) Shall provide advisory technical consultation and services to units of local government and
 42 to state agencies.

43 (g) Shall develop and conduct demonstration programs in cooperation with units of local gov-
 44 ernment.

45 (h) Shall serve as the agency of the state for receipt of moneys from the federal government or

1 other public or private agencies for the purposes of air and water pollution control, studies or re-
2 search and to expend moneys after appropriation thereof for the purposes given.

3 (i) Shall make such determination of priority of air or water pollution control projects as may
4 be necessary under terms of statutes enacted by the Congress of the United States.

5 (j) Shall seek enforcement of the air and water pollution laws of the state.

6 (k) Shall institute or cause to be instituted in a court of competent jurisdiction, proceedings to
7 compel compliance with any rule or standard adopted or any order or permit, or condition thereof,
8 issued pursuant to ORS 448.305, 454.010 to 454.040, 454.205 to 454.255, 454.505 to 454.535, 454.605 to
9 454.755 and ORS chapters 468, 468A and 468B.

10 (L) Shall encourage the formulation and execution of plans in conjunction with air and water
11 pollution control agencies or with associations of counties, cities, industries and other persons who
12 severally or jointly are or may be the source of air or water pollution, for the prevention and
13 abatement of pollution.

14 (m) May determine, by means of field studies and sampling, the degree of air or water pollution
15 in various regions of the state.

16 (n) May perform such other and further acts as may be necessary, proper or desirable to carry
17 out effectively the duties, powers and responsibilities of the department as set forth in ORS 448.305,
18 454.010 to 454.040, 454.205 to 454.255, 454.505 to 454.535, 454.605 to 454.755 and ORS chapters 468,
19 468A and 468B.

20 (o) Shall coordinate any activities of the department related to a watershed enhancement project
21 approved by the Oregon Watershed Enhancement Board under ORS 541.932 with activities of other
22 cooperating state and federal agencies participating in the project.

23 (2) Nothing in this section shall affect the authority of the Oregon [*Health Authority*] **Depart-**
24 **ment of Health** to make and enforce rules:

25 (a) Regarding the quality of water for human or animal consumption pursuant to ORS 448.115
26 to 448.325, 624.010 to 624.121 and 624.310 to 624.430; and

27 (b) Regarding the quality of water for public swimming places pursuant to ORS 431.001 to
28 431.550 and 431.990.

29 (3) Nothing in this section shall prevent the State Department of Agriculture or the State
30 Forestry Department from independently receiving moneys from a public or private agency for the
31 purposes of preventing or controlling air or water pollution resulting from agricultural or
32 silvicultural activities or soil erosion, or for research related to such purposes.

33 (4)(a) In awarding a public contract under ORS 279.835 to 279.855 or ORS chapter 279A, 279B
34 or 279C for a removal or remedial action pursuant to ORS 465.200 to 465.545, a corrective action
35 or cleanup action pursuant to ORS 466.005 to 466.385, 466.605 to 466.680 or 466.706 to 466.882 or a
36 removal pursuant to ORS 468B.005 to 468B.030, 468B.035, 468B.048 to 468B.085, 468B.090, 468B.093,
37 468B.095 and 468B.300 to 468B.500, the department, and the Oregon Department of Administrative
38 Services, when administering the establishment of such a contract on behalf of the Department of
39 Environmental Quality under ORS 279A.050 and 279A.140, shall subtract from the amount of any bid
40 or proposal the hazardous waste management fees and solid waste fees that would be required by
41 law to be paid to the department for waste that would be disposed of at a solid waste disposal site
42 or a hazardous waste or PCB disposal facility, based on the bid or proposal. The amount to be
43 subtracted shall be established on the basis of reasonable preprocurement estimates of the amount
44 of waste that would be disposed of under the contract and that would be subject to those fees.

45 (b) The subtraction for fees under paragraph (a) of this subsection shall apply only to a contract

1 reasonably anticipated to involve the disposal of no less than 50 tons of hazardous waste or no less
 2 than 500 tons of solid waste. The Legislative Assembly finds that making accurate advance estimates
 3 of amounts of waste that would be disposed of in projects of this character is technically challenging
 4 and requires the application of professional discretion. Therefore, no award of a contract under this
 5 subsection shall be subject to challenge, under ORS 279B.410, 279B.415 or 279C.460 or otherwise,
 6 on the ground of the inaccuracy or claimed inaccuracy of any such estimate.

7 (c) The subtraction for fees under paragraph (a) of this subsection shall not apply to the estab-
 8 lishment, by or on behalf of the department, of master contracts by which the department engages
 9 the services of a contractor over a period of time for the purpose of issuing work orders for the
 10 performance of environmental activities on a project or projects for which the amounts of waste to
 11 be disposed of were not reasonably identified at the inception of the master contracts. However, the
 12 department shall require any contractor under a master contract to apply the subtraction for fees
 13 under paragraph (a) of this subsection in the selection of any subcontractor to perform the removal
 14 of waste in amounts equaling or exceeding the amounts set forth in paragraph (b) of this subsection.
 15 Nothing in this subsection shall be construed to prohibit the department or the Oregon Department
 16 of Administrative Services from establishing contracts pursuant to this section through contracting
 17 procedures authorized by ORS 279.835 to 279.855 and ORS chapters 279A, 279B and 279C that do
 18 not require the solicitation of bids or proposals.

19 **SECTION 1320.** ORS 468.055 is amended to read:

20 468.055. In addition to the authority granted under ORS 190.003 to 190.130, when authorized by
 21 the Environmental Quality Commission and the Oregon [*Health Authority*] **Department of Health**,
 22 the Director of the Department of Environmental Quality and the Director of the Oregon [*Health*
 23 *Authority*] **Department of Health** may contract on behalf of their respective agencies for the pur-
 24 poses of carrying out the functions of either agency, defining areas of responsibility, furnishing
 25 services or employees by one to the other and generally providing cooperative action in the inter-
 26 ests of public health and the quality of the environment in Oregon. Each contracting agency is di-
 27 rected to maintain liaison with the other and to cooperate with the other in all matters of joint
 28 concern or interest.

29 **SECTION 1321.** ORS 468.060 is amended to read:

30 468.060. On its own motion after public hearing, the Environmental Quality Commission may
 31 grant specific authorization to the Oregon [*Health Authority*] **Department of Health** or to any local
 32 public health authority, as defined in ORS 431.003, to enforce any rule of the commission relating
 33 to air or water pollution or solid wastes.

34 **SECTION 1322.** ORS 468.149 is amended to read:

35 468.149. (1) As used in this section and ORS 468.148:

36 (a) "Baseline federal standards" means the standards and requirements contained in a federal
 37 environmental law, as those standards and requirements were in effect on January 19, 2017.

38 (b) "Federal environmental law" means any one or more of the following:

39 (A) The federal Clean Air Act, 42 U.S.C. 7401 et seq., and any federal regulations issued pursu-
 40 ant to the federal Clean Air Act.

41 (B) The federal Safe Drinking Water Act, 42 U.S.C. 300f et seq., and any federal regulations is-
 42 sued pursuant to the federal Safe Drinking Water Act.

43 (C) The Federal Water Pollution Control Act, 33 U.S.C. 1251 et seq., and any federal regulations
 44 issued pursuant to the Federal Water Pollution Control Act.

45 (2) The Department of Environmental Quality and the Oregon [*Health Authority*] **Department**

1 **of Health** shall regularly assess final changes to federal environmental law that the [*department or*
2 *the authority*] **Department of Environmental Quality or the Oregon Department of Health** has
3 been authorized or directed to administer to determine whether the final changes to federal envi-
4 ronmental law are significantly less protective of public health, the environment or natural re-
5 sources than baseline federal standards.

6 (3) If the Department of Environmental Quality determines that a change assessed by the de-
7 partment under subsection (2) of this section results or will result in federal standards or require-
8 ments that are significantly less protective of public health, the environment or natural resources
9 than baseline federal standards, the department shall promptly inform the Environmental Quality
10 Commission and recommend to the commission actions as necessary to continue state implementa-
11 tion of standards and requirements that are at least as protective of public health, the environment
12 or natural resources as baseline federal standards, regardless of the change assessed under sub-
13 section (2) of this section.

14 (4) If the Oregon [*Health Authority*] **Department of Health** determines that a change assessed
15 by the [*authority*] **department** under subsection (2) of this section results or will result in federal
16 standards or requirements that are significantly less protective of public health, the environment
17 or natural resources than baseline federal standards, the [*authority*] **department** shall take actions
18 as necessary to continue state implementation of standards and requirements that are at least as
19 protective of public health, the environment or natural resources as baseline federal standards, re-
20 gardless of the change assessed under subsection (2) of this section.

21 (5) Nothing in this section prevents the Environmental Quality Commission or the Oregon
22 [*Health Authority*] **Department of Health** from adopting rules for the administration of federal en-
23 vironmental law that are more protective of public health, the environment or natural resources
24 than baseline federal standards.

25 **SECTION 1323.** ORS 468A.707 is amended to read:

26 468A.707. (1) The Environmental Quality Commission by rule shall:

27 (a) Establish an asbestos abatement program that assures the proper and safe abatement of
28 asbestos hazards through contractor licensing and worker training.

29 (b) Establish the date after which a contractor must be licensed under ORS 468A.720 and a
30 worker must hold a certificate under ORS 468A.730.

31 (c) Establish criteria and provisions for granting an extension of time for contractor licensing
32 and worker certification, which may consider the number of workers and the availability of ac-
33 credited training courses.

34 (2) The program established under subsection (1) of this section shall include at least:

35 (a) Criteria for contractor licensing and training;

36 (b) Criteria for worker certification and training;

37 (c) Standardized training courses; and

38 (d) A procedure for inspecting asbestos abatement projects.

39 (3) In establishing the training requirements under subsections (1) and (2) of this section, the
40 commission shall adopt different training requirements that reflect the different levels of responsi-
41 bility of the contractor or worker, so that within the category of contractor, sublevels shall be
42 separately licensed or exempted and within the category of worker, sublevels shall be separately
43 certified or exempted. The commission shall specifically address as a separate class, those contrac-
44 tors and workers who perform small scale, short duration renovating and maintenance activity. As
45 used in this subsection, "small scale, short duration renovating and maintenance activity" means a

1 task for which the removal of asbestos is not the primary objective of the job, including but not
 2 limited to:

- 3 (a) Removal of asbestos-containing insulation on pipes;
- 4 (b) Removal of small quantities of asbestos-containing insulation on beams or above ceilings;
- 5 (c) Replacement of an asbestos-containing gasket on a valve;
- 6 (d) Installation or removal of a small section of drywall; or
- 7 (e) Installation of electrical conduits through or proximate to asbestos-containing materials.

8 (4) The Department of Environmental Quality, on behalf of the commission, shall consult with
 9 the Department of Consumer and Business Services and the Oregon [*Health Authority*] **Department**
 10 **of Health** about proposed rules for the asbestos abatement program to assure that the rules are
 11 compatible with all other state and federal statutes and regulations related to asbestos abatement.

12 (5) The Department of Environmental Quality shall cooperate with the Department of Consumer
 13 and Business Services and the Oregon [*Health Authority*] **Department of Health** to promote proper
 14 and safe asbestos abatement work practices and compliance with the provisions of ORS 279B.055
 15 (2)(g), 279B.060 (2)(g), 279C.365 (1)(j), 468.126, 468A.135 and 468A.700 to 468A.760.

16 **SECTION 1324.** ORS 468B.150 is amended to read:

17 468B.150. As used in ORS 448.268, 448.271 and 468B.150 to 468B.190:

18 (1) “Area of ground water concern” means an area of the state subject to a declaration by the
 19 Department of Environmental Quality under ORS 468B.175 or the Oregon [*Health Authority*] **De-**
 20 **partment of Health** under ORS 448.268.

21 (2) “Contaminant” means any chemical, ion, radionuclide, synthetic organic compound,
 22 microorganism, waste or other substance that does not occur naturally in ground water or that oc-
 23 curs naturally but at a lower concentration.

24 (3) “Ground water management area” means an area in which contaminants in the ground water
 25 have exceeded the levels established under ORS 468B.165, and the affected area is subject to a
 26 declaration under ORS 468B.180.

27 (4) “Fertilizer” has the meaning given that term in ORS 633.311.

28 (5) “Pesticide” has the meaning given that term in ORS 634.006.

29 **SECTION 1325.** ORS 469.525 is amended to read:

30 469.525. (1) Notwithstanding any other provision of this chapter, no radioactive waste shall be
 31 disposed of within this state, no person may arrange for disposal of radioactive waste within this
 32 state, no person may transport radioactive waste for disposal in this state and no waste disposal
 33 facility for any radioactive waste shall be established, operated or licensed within this state, except
 34 as follows:

35 (a) Wastes generated before June 1, 1981, through industrial or manufacturing processes which
 36 contain only naturally occurring radioactive isotopes which are disposed of at sites approved by the
 37 Energy Facility Siting Council in accordance with ORS 469.375.

38 (b) Medical, industrial and research laboratory wastes contained in small, sealed, discrete con-
 39 tainers in which the radioactive material is dissolved or dispersed in an organic solvent or biological
 40 fluid for the purpose of liquid scintillation counting and experimental animal carcasses shall be
 41 disposed of or treated at a hazardous waste disposal facility licensed by the Department of Envi-
 42 ronmental Quality and in a manner consistent with rules adopted by the Department of Envi-
 43 ronmental Quality after consultation with and approval by the Oregon [*Health Authority*] **Department**
 44 **of Health**.

45 (c) Maintenance of radioactive coal ash at the site of a thermal power plant for which a site

1 certificate has been issued pursuant to this chapter shall not constitute operation of a waste dis-
2 posal facility so long as such coal ash is maintained in accordance with the terms of the site cer-
3 tificate as amended from time to time as necessary to protect the public health and safety.

4 (2) The Energy Facility Siting Council shall, in accordance with the applicable provisions of
5 ORS chapter 183, adopt standards and rules as necessary to prevent the disposal of radioactive
6 waste within this state.

7 (3) For purposes of this section, disposal does not include the temporary storage of:

8 (a) Radioactive waste used or generated pursuant to a license granted under ORS 453.635;

9 (b) Radioactive waste from a nuclear-fueled thermal power plant for which a site certificate has
10 been issued pursuant to this chapter, on the site of that plant, until a permanent storage site is made
11 available by the federal government; or

12 (c) Radioactive waste from a reactor for which a site certificate has been issued pursuant to this
13 chapter that is operated by a college, university or graduate center for research purposes and is not
14 connected to the Northwest Power Grid.

15 **SECTION 1326.** ORS 469.533 is amended to read:

16 469.533. Notwithstanding ORS chapter 401, the State Department of Energy in cooperation with
17 the Oregon [*Health Authority*] **Department of Health** and the Oregon Department of Emergency
18 Management shall establish rules for the protection of health and procedures for the evacuation of
19 people and communities who would be affected by radiation in the event of an accident or a catas-
20 trophe in the operation of a nuclear power plant or nuclear installation.

21 **SECTION 1327.** ORS 469.559 is amended to read:

22 469.559. (1) Notwithstanding the authority of the Oregon [*Health Authority*] **Department of**
23 **Health** pursuant to ORS 453.605 to 453.800 to regulate radiation sources or the requirements of ORS
24 469.525, the Energy Facility Siting Council may enter into and carry out cooperative agreements
25 with the Secretary of Energy pursuant to Title I and the Nuclear Regulatory Commission pursuant
26 to Title II of the Uranium Mill Tailings Radiation Control Act of 1978, Public Law 95-604, and per-
27 form or cause to be performed any and all acts necessary to be performed by the state, including
28 the acquisition by condemnation or otherwise, retention and disposition of land or interests therein,
29 in order to implement that Act and rules, standards and guidelines adopted pursuant thereto. The
30 Energy Facility Siting Council may adopt, amend or repeal rules in accordance with ORS chapter
31 183 and may receive and disburse funds in connection with the implementation and administration
32 of this section.

33 (2) The Energy Facility Siting Council and the State Department of Energy may enter into and
34 carry out cooperative agreements and arrangements with any agency of the federal government
35 implementing the Comprehensive Environmental Response, Compensation, and Liability Act, as
36 amended, 42 U.S.C. section 9601 et seq., to clean up wastes and contaminated material, including
37 overburden, created by uranium mining before June 29, 1989. Any such project need not obtain a
38 site certificate from the council, but shall nevertheless comply with all applicable, relevant or ap-
39 propriate state standards including but not limited to those set forth in ORS 469.375 and rules
40 adopted by the council and other state agencies to implement such standards.

41 (3) The Governor may do any and all things necessary to implement the requirements of the
42 federal Acts referred to in subsections (1) and (2) of this section.

43 (4) Notwithstanding ORS 469.553, after June 25, 1979, no site certificate is required for the
44 cleanup and disposal of an inactive or abandoned uranium mill tailings site as authorized under
45 subsection (1) of this section and Title I of the Uranium Mill Tailings Radiation Control Act of 1978,

1 Public Law 95-604.

2 **SECTION 1328.** ORS 469.611 is amended to read:

3 469.611. Notwithstanding ORS chapter 401:

4 (1) The Director of the State Department of Energy shall coordinate emergency preparedness
5 and response with appropriate agencies of government at the local, state and national levels to en-
6 sure that the response to a radioactive material transportation accident is swift and appropriate to
7 minimize damage to any person, property or wildlife. This program shall include the preparation of
8 localized plans setting forth agency responsibilities for on-scene response.

9 (2) The director shall:

10 (a) Apply for federal funds as available to train, equip and maintain an appropriate response
11 capability at the state and local level; and

12 (b) Request all available training and planning materials.

13 (3) The Oregon [*Health Authority*] **Department of Health** shall maintain a trained and equipped
14 radiation emergency response team available at all times for dispatch to any radiological emergency.
15 Before arrival of the team at the scene of a radiological accident, the director may designate other
16 technical advisors to work with the local response agencies.

17 (4) The [*authority*] **Oregon Department of Health** shall assist the Director of the State De-
18 **partment of Energy** to ensure that all emergency services organizations along major transport
19 routes for radioactive materials are offered training and retraining in the proper procedures for
20 identifying and dealing with a radiological accident pending the arrival of persons with technical
21 expertise. The [*authority*] **Oregon Department of Health** shall report annually to the Director of
22 **the State Department of Energy** on training of emergency response personnel.

23 **SECTION 1329.** ORS 471.190 is amended to read:

24 471.190. (1) The holder of a temporary sales license may:

25 (a) Sell at retail by the drink wine, malt beverages, cider and distilled liquor.

26 (b) Sell for consumption off the licensed premises wine, malt beverages and cider in factory-
27 sealed containers.

28 (c) Sell for consumption off the licensed premises wine, malt beverages and cider in securely
29 covered containers supplied by the consumer and having capacities of not more than two gallons
30 each.

31 (2) Distilled liquor served by the holder of a temporary sales license must be purchased from a
32 retail sales agent of the Oregon Liquor and Cannabis Commission. The holder of a temporary sales
33 license must provide food service as required by commission rule.

34 (3) A temporary sales license may be issued only to:

35 (a) Nonprofit or charitable organizations that are registered with the state.

36 (b) A political committee that has filed a statement of organization under ORS 260.039 or
37 260.042.

38 (c) State agencies.

39 (d) Local governments, and agencies and departments of local governments.

40 (e) Persons not otherwise described in this subsection, as long as the applicant submits a plan
41 that is approved by the commission detailing how minors will be prevented from gaining access to
42 alcoholic beverages and how minors will be prevented from gaining access to any portion of the li-
43 censed premises prohibited to minors under ORS 471.430 (3) or any rule adopted by the commission.

44 (4) The commission may by rule establish additional eligibility requirements for temporary sales
45 licenses.

1 (5) Subject to such qualifications as the commission may establish by rule, persons who hold a
2 full or limited on-premises sales license are eligible for temporary sales licenses.

3 (6) A temporary sales license issued to a person described in subsection (3)(a), (c) or (d) of this
4 section authorizes the holder of the temporary sales license to:

5 (a)(A)(i) Have on a single licensed premises more than one location at which wine, malt
6 beverages or cider is sold at retail by the drink or for consumption off the licensed premises; and

7 (ii) Have on a single licensed premises more than one location at which wine, malt beverages,
8 cider or distilled liquor is sold at retail by the drink; or

9 (B) Have up to three separate premises in this state licensed under the temporary sales license
10 at which wine, malt beverages or cider is sold for consumption off the licensed premises; and

11 (b) Operate for up to 30 days, whether or not the days are consecutive.

12 (7) The commission may adopt rules to carry out subsection (6) of this section.

13 (8) A person holding a temporary sales license is not required to obtain an intermittent tempo-
14 rary restaurant, seasonal temporary restaurant, single-event temporary restaurant license or mobile
15 unit license under ORS chapter 624 if only wine, malt beverages and cider in single-service con-
16 tainers are served and only nonperishable food items that are exempted from licensure by the
17 Oregon *[Health Authority]* **Department of Health** are served.

18 (9) Employees and volunteers serving alcoholic beverages for a nonprofit or charitable organ-
19 ization licensed under this section are not required to have service permits or to complete an alco-
20 hol server education program and examination under ORS 471.542. The commission by rule may
21 establish education requirements for servers described in this subsection.

22 (10) Notwithstanding ORS 471.392 to 471.400, a temporary sales license may be issued to a
23 nonprofit trade association that has a membership primarily composed of persons that hold winery
24 licenses issued under ORS 471.223 or grower sales privilege licenses issued under ORS 471.227.

25 **SECTION 1330.** ORS 471.235 is amended to read:

26 471.235. (1) A wholesale malt beverage and wine license shall allow the importation, storage,
27 transportation, wholesale sale and distribution to licensees of the Oregon Liquor and Cannabis
28 Commission, and the export of wine, cider and malt beverages, and the importation and sale to the
29 commission and the export of wine of alcoholic content in excess of 21 percent alcohol by volume.
30 A wholesale malt beverage and wine licensee may not sell any alcoholic liquor for consumption upon
31 the licensed premises. However, a wholesale malt beverage and wine licensee may sell naturally
32 fermented wine or cider in quantities of not less than four gallons nor more than 55 gallons at any
33 one time to consumers for consumption not on the licensed premises. Wholesale malt beverage and
34 wine licensees may sell malt beverages containing not more than nine percent alcohol by volume in
35 quantities not less than four gallons to any unlicensed organization, lodge, picnic party or private
36 gathering. The unlicensed organization, lodge, picnic party or private gathering may not sell the
37 malt beverages. A wholesale malt beverage and wine license shall permit the licensee also to sell
38 malt beverages at wholesale only, to persons holding licenses authorizing the persons to resell such
39 beverages at retail. Employees of wholesale malt beverage and wine licensees may serve sample
40 tastings of malt beverages, cider and wine at alcoholic beverage industry trade shows, seminars and
41 conventions and at alcoholic beverage industry sample tastings for employees of retail licensees.

42 (2) Subsection (1) of this section does not prohibit the transportation or wholesale sale or dis-
43 tribution of malt beverage or wine by a wholesale malt beverage and wine licensee to any alcoholic
44 treatment center licensed by the Oregon *[Health Authority]* **Department of Health**.

45 (3) A wholesale malt beverage and wine licensee may impose an additional handling fee on any

1 wine sold to any retailer in this state if the quantity of wine sold to the retailer is less than the
2 smallest multiple-package case available to be sold and the handling fee is uniform for all licensees.

3 **SECTION 1331.** ORS 471.333 is amended to read:

4 471.333. (1) Except as provided in subsections (2) and (3) of this section, the Oregon Liquor and
5 Cannabis Commission shall not refuse to issue, cancel or suspend a license under ORS 471.313,
6 471.315 or 471.425 for maintaining an insanitary establishment.

7 (2) The commission may refuse to issue, cancel or suspend a license under ORS 471.313, 471.315
8 or 471.425 for maintaining an insanitary establishment in violation of a city ordinance relating to
9 sanitation only if the licensee is convicted of violating the ordinance.

10 (3) The commission may refuse to issue, cancel or suspend a license under ORS 471.313, 471.315
11 or 471.425 for maintaining an insanitary establishment in violation of ORS 447.010 to 447.156 and
12 447.992 or the laws, orders or rules relating to public health of the Oregon [*Health Authority*] **De-**
13 **partment of Health** or the State Department of Agriculture only when the agency charged with
14 enforcing those laws, orders or rules finds that the licensee is in violation of them and renders a
15 final order adverse to the licensee.

16 **SECTION 1332.** ORS 471.432 is amended to read:

17 471.432. When a person is ordered to undergo assessment and treatment as provided in ORS
18 471.430, the court shall require the person to do all of the following:

19 (1) If the person is 18 years of age or older, pay to the court the fee described under ORS
20 813.030 in addition to any fine imposed under ORS 471.430.

21 (2) Complete an examination by an agency or organization designated by the court to determine
22 whether the person has a problem condition involving alcohol as described in ORS 813.040. The
23 designated agencies or organizations must meet minimum standards established under ORS 430.357
24 to perform the diagnostic assessment and treatment of problem drinking and alcoholism and must
25 be certified by the Director of the Oregon [*Health Authority*] **Department of Health**.

26 (3) Complete a treatment program, paid at the expense of the person convicted, as follows:

27 (a) If the examination required under this section shows that the person has a problem condition
28 involving alcohol, a program for rehabilitation for alcoholism approved by the director.

29 (b) If the examination required by this section shows that the person does not have a problem
30 condition involving alcohol, an alcohol information program approved by the director.

31 **SECTION 1333.** ORS 471.547 is amended to read:

32 471.547. (1) The Oregon Liquor and Cannabis Commission shall establish an Alcohol Server Ed-
33 ucation Advisory Committee. The advisory committee shall consist of the following members:

34 (a) One person who represents the commission.

35 (b) One person who represents the Oregon State Police.

36 (c) One person who represents the Oregon District Attorneys Association.

37 (d) One person who represents the Oregon [*Health Authority*] **Department of Health**.

38 (e) One person who represents the Department of Transportation.

39 (f) One person who represents a nonprofit organization the purpose of which is to reduce the
40 incidence of drunk driving.

41 (g) One person who has general expertise in education.

42 (h) One person who has expertise in health education.

43 (i) One person who represents classroom alcohol server education providers.

44 (j) One person who represents online alcohol server education providers.

45 (k) At least one person who is a service permittee under ORS 471.360.

1 (L) Not more than two persons who represent insurance companies.

2 (m) Not more than three persons who represent retail licensees.

3 (2) The purpose of the advisory committee is to assist in the development of:

4 (a) The standards, curriculum and materials for the alcohol server education courses required
5 under ORS 471.542;

6 (b) The examination required by ORS 471.542, and procedures for administering that examina-
7 tion;

8 (c) The certification procedures, enforcement policies and penalties for alcohol server education
9 course instructors and providers; and

10 (d) The time requirements for completion of an alcohol server education course and examination
11 and the conditions for probationary extension.

12 **SECTION 1334.** ORS 471.732 is amended to read:

13 471.732. (1) The Legislative Assembly finds and declares that the regulation of health and sani-
14 tation matters in premises licensed by the Oregon Liquor and Cannabis Commission under this
15 chapter can best be performed by the Oregon [*Health Authority*] **Department of Health** and the
16 State Department of Agriculture.

17 (2) It is the policy of the Legislative Assembly and the intent of ORS 471.333 and 624.010 and
18 this section that premises licensed by the Oregon Liquor and Cannabis Commission under this
19 chapter shall be subject to the laws governing health and sanitation matters, including any appli-
20 cable licensing requirements, and to the rules adopted thereunder by the [*authority and the depart-*
21 *ment*] **Oregon Department of Health and the State Department of Agriculture.**

22 **SECTION 1335.** ORS 475.225 is amended to read:

23 475.225. (1) The Oregon [*Health Authority*] **Department of Health** shall carry out educational
24 programs designed to prevent and deter misuse and abuse of controlled substances. In connection
25 with these programs it may:

26 (a) Promote better recognition of the problems of misuse and abuse of controlled substances
27 within the regulated industry and among interested groups and organizations;

28 (b) Assist the regulated industry and interested groups and organizations in contributing to the
29 reduction of misuse and abuse of controlled substances;

30 (c) Consult with interested groups and organizations to aid them in solving administrative and
31 organizational problems;

32 (d) Evaluate procedures, projects, techniques and controls conducted or proposed as part of ed-
33 ucational programs on misuse or abuse of controlled substances;

34 (e) Disseminate the results of research on misuse and abuse of controlled substances to promote
35 a better public understanding of what problems exist and what can be done to combat them; and

36 (f) Assist in the education and training of state and local law enforcement officials in their ef-
37 forts to control misuse and abuse of controlled substances.

38 (2) The [*authority*] **department** shall encourage research on the medical use, misuse and abuse
39 of controlled substances. In connection with the research, and in furtherance of the enforcement of
40 ORS 475.005 to 475.285 and 475.752 to 475.980, it may:

41 (a) Establish methods to assess accurately the physiological, psychological and social effects of
42 controlled substances and identify their medical uses, relative hazard potential, and potential for
43 abuse;

44 (b) Make studies and undertake programs of research to:

45 (A) Develop new or improved approaches, techniques, systems, equipment and devices to

1 strengthen the enforcement of ORS 475.005 to 475.285 and 475.752 to 475.980;

2 (B) Determine patterns of use, misuse and abuse of controlled substances and the social effects
3 thereof; and

4 (C) Improve methods for preventing, predicting, understanding and dealing with the misuse and
5 abuse of controlled substances; or

6 (c) Enter into contracts with public agencies, institutions of higher education, and private or-
7 ganizations or individuals for the purpose of conducting research, demonstrations or special projects
8 which bear directly on misuse and abuse of controlled substances.

9 (3) The [authority] **department** may enter into contracts for educational and research activities
10 without performance bonds and without regard to ORS 459A.475, 459A.480, 459A.485 and 459A.490.

11 **SECTION 1336.** ORS 475.495 is amended to read:

12 475.495. (1) The Illegal Drug Cleanup Fund is established separate and distinct from the General
13 Fund in the State Treasury.

14 (2) The following moneys shall be deposited into the State Treasury and credited to the Illegal
15 Drug Cleanup Fund:

16 (a) Moneys recovered or otherwise received from responsible parties for cleanup costs;

17 (b) Moneys received from a state agency, local government unit or any agency of a local gov-
18 ernment unit for cleanup of illegal drug manufacturing sites, including moneys received from forfei-
19 ture proceeds under the provisions of ORS 131A.360 and 131A.365;

20 (c) Moneys received from the federal government for cleanup of illegal drug manufacturing sites;
21 and

22 (d) Any penalty or punitive damages recovered under ORS 475.435, 475.455 or 475.485.

23 (3) The State Treasurer may invest and reinvest moneys in the Illegal Drug Cleanup Fund in the
24 manner provided by law. Interest earned by the fund shall be credited to the fund.

25 (4) The moneys in the Illegal Drug Cleanup Fund are appropriated continuously to the Depart-
26 ment of Environmental Quality to be used as provided for in subsection (5) of this section.

27 (5) Moneys in the Illegal Drug Cleanup Fund may be used for the following purposes:

28 (a) Payment of the state's cleanup costs;

29 (b) Funding any action or activity authorized by ORS 475.415 to 475.455, 475.475 and 475.485;
30 and

31 (c) Funding safety certification training and personal protective equipment for law enforcement
32 personnel assigned to respond to illegal drug manufacturing sites.

33 (6) In addition to the purposes provided for in subsection (5) of this section, moneys in the Illegal
34 Drug Cleanup Fund received from forfeiture proceeds under the provisions of ORS 131A.360 and
35 131A.365 may be transferred to the Oregon [Health Authority] **Department of Health** to support the
36 administration of the illegal drug manufacturing cleanup program provided for in ORS 453.855 to
37 453.912.

38 (7) The Department **of Environmental Quality** may not expend more than \$250,000 in each
39 biennium of the forfeiture proceeds that are paid into the Illegal Drug Cleanup Fund by political
40 subdivisions under the provisions of ORS 131A.360. If at the end of a biennium more than \$250,000
41 has been paid into the Illegal Drug Cleanup Fund under the provisions of ORS 131A.360, the de-
42 partment shall refund to each political subdivision that made payments into the fund a pro rata
43 share of the excess amount, based on the amount of forfeiture proceeds paid into the fund by the
44 political subdivision.

45 **SECTION 1337.** ORS 475.565 is amended to read:

1 475.565. (1) In addition to any other penalty provided by law:

2 (a) A person who violates ORS 475.525 shall incur a civil penalty in an amount of at least \$2,000
3 and not more than \$10,000; and

4 (b) The court may order other equitable remedies including but not limited to injunctive relief.

5 (2) Any amounts collected under this section shall be forwarded to the State Treasurer for de-
6 posit in the General Fund to the credit of the Oregon [*Health Authority*] **Department of Health**.
7 The moneys shall be used for the development and implementation of drug abuse prevention activ-
8 ities and adolescent treatment.

9 **SECTION 1338.** ORS 475A.200 is amended to read:

10 475A.200. Findings. The People of the State of Oregon find that:

11 (1) Oregon has one of the highest prevalences of mental illness among adults in the nation;

12 (2) An estimated one in every five adults in Oregon is coping with a mental health condition;

13 (3) The Governor has declared addiction as a public health crisis in this state;

14 (4) The 2019-2021 Governor’s Budget proposes spending over \$2.8 billion on mental health and
15 behavioral health programs;

16 (5) Studies conducted by nationally and internationally recognized medical institutions indicate
17 that psilocybin has shown efficacy, tolerability, and safety in the treatment of a variety of mental
18 health conditions, including but not limited to addiction, depression, anxiety disorders, and end-of-life
19 psychological distress;

20 (6) The United States Food and Drug Administration has:

21 (a) Determined that preliminary clinical evidence indicates that psilocybin may demonstrate
22 substantial improvement over available therapies for treatment-resistant depression; and

23 (b) Granted a Breakthrough Therapy designation for a treatment that uses psilocybin as a
24 therapy for such depression;

25 (7) The Oregon [*Health Authority*] **Department of Health** has direct supervision of all matters
26 relating to the preservation of life and health of the people of this state;

27 (8) During a two-year program development period, the [*authority*] **department** should:

28 (a) Examine, publish, and distribute to the public available medical, psychological, and scientific
29 studies, research, and other information relating to the safety and efficacy of psilocybin in treating
30 mental health conditions; and

31 (b) Adopt rules and regulations for the eventual implementation of a comprehensive regulatory
32 framework that will allow persons 21 years of age and older in this state to be provided psilocybin
33 services; and

34 (9) An advisory board should be established within the [*authority*] **department** for the purpose
35 of advising and making recommendations to the [*authority*] **department**.

36 **SECTION 1339.** ORS 475A.220 is amended to read:

37 475A.220. Definitions. As used in ORS 475A.210 to 475A.722:

38 (1) “Administration session” means a session held at a psilocybin service center at which a cli-
39 ent purchases, consumes, and experiences the effects of a psilocybin product under the supervision
40 of a psilocybin service facilitator.

41 (2) “Client” means an individual that is provided psilocybin services in this state.

42 (3) “Integration session” means a meeting between a client and a psilocybin service facilitator
43 that may occur after the client completes an administration session.

44 (4) “Legal entity” means a corporation, limited liability company, limited partnership, or other
45 legal entity that is registered with the office of the Secretary of State or with a comparable office

1 of another jurisdiction.

2 (5) "Licensee" means a person that holds a license issued under ORS 475A.290, 475A.305,
3 475A.325 or 475A.594.

4 (6) "Licensee representative" means an owner, director, officer, manager, employee, agent or
5 other representative of a licensee, to the extent that the person acts in a representative capacity.

6 (7) "Manufacture" means the manufacture, planting, cultivation, growing, harvesting, production,
7 preparation, propagation, compounding, conversion or processing of a psilocybin product, either di-
8 rectly or indirectly by extraction from substances of natural origin, or independently by means of
9 chemical synthesis, or by a combination of extraction and chemical synthesis, and includes any
10 packaging or repackaging of the psilocybin product or labeling or relabeling of its container.

11 (8)(a) "Premises" includes the following areas of a location licensed under ORS 475A.210 to
12 475A.722:

13 (A) All public and private enclosed areas at the location that are used in the business operated
14 at the location, including offices, kitchens, rest rooms and storerooms;

15 (B) All areas outside a building that the Oregon [*Health Authority*] **Department of Health** has
16 specifically licensed for the manufacturing of psilocybin products or the operation of a psilocybin
17 service center; and

18 (C) For a location that the [*authority*] **department** has specifically licensed for the operation
19 of a psilocybin service center outside a building, that portion of the location used to operate the
20 psilocybin service center and provide psilocybin services to clients.

21 (b) "Premises" does not include a primary residence.

22 (9) "Preparation session" means a meeting between a client and a psilocybin service facilitator
23 that must occur before the client participates in an administration session.

24 (10) "Psilocybin" means psilocybin or psilocin.

25 (11) "Psilocybin product manufacturer" means a person that manufactures psilocybin products
26 in this state.

27 (12)(a) "Psilocybin products" means:

28 (A) Psilocybin-producing fungi; and

29 (B) Mixtures or substances containing a detectable amount of psilocybin.

30 (b) "Psilocybin products" does not include psilocybin services.

31 (13) "Psilocybin service center" means an establishment:

32 (a) At which administration sessions are held; and

33 (b) At which other psilocybin services may be provided.

34 (14) "Psilocybin service center operator" means a person that operates a psilocybin service
35 center in this state.

36 (15) "Psilocybin service facilitator" means an individual that facilitates the provision of
37 psilocybin services in this state.

38 (16) "Psilocybin services" means services provided to a client before, during, and after the
39 client's consumption of a psilocybin product, including:

40 (a) A preparation session;

41 (b) An administration session; and

42 (c) An integration session.

43 (17) "Two-year program development period" means the period beginning on January 1, 2021 and
44 ending no later than December 31, 2022.

45 **SECTION 1340.** ORS 475A.225 is amended to read:

1 475A.225. Members; terms; meetings; compensation. (1)(a) The Oregon Psilocybin Advisory Board
 2 is established within the Oregon [*Health Authority*] **Department of Health** for the purpose of ad-
 3 vising and making recommendations to the [*authority*] **department**. The Oregon Psilocybin Advisory
 4 Board shall consist of:

5 (A) 14 to 16 members appointed by the Governor as specified in paragraph (b) of this subsection;

6 (B) The Public Health Director or the Public Health Director's designee;

7 (C) If the Public Health Director is not the State Health Officer, the State Health Officer or a
 8 physician licensed under ORS chapter 677 acting as the State Health Officer's designee;

9 (D) If the Public Health Director is the State Health Officer, a representative from the Oregon
 10 [*Health Authority*] **Department of Health** who is familiar with public health programs and public
 11 health activities in this state; and

12 (E) A designee of the Oregon Health Policy Board.

13 (b) The Governor shall appoint the following individuals to the board:

14 (A) Any four of the following:

15 (i) A state employee who has technical expertise in the field of public health;

16 (ii) A local health officer, as defined in ORS 431.003;

17 (iii) An individual who is a member of, or who represents, a federally recognized Indian tribe in
 18 this state;

19 (iv) An individual who is a member of, or who represents, the Addictions and Mental Health
 20 Planning and Advisory Council within the [*authority*] **department**;

21 (v) An individual who is a member of, or who represents, the Health Equity Policy Committee
 22 within the [*authority*] **department**;

23 (vi) An individual who is a member of, or who represents, the Palliative Care and Quality of
 24 Life Interdisciplinary Advisory Council within the [*authority*] **department**; and

25 (vii) An individual who represents individuals who provide public health services directly to the
 26 public;

27 (B) A psychologist licensed under ORS chapter 675 who has professional experience engaging
 28 in the diagnosis or treatment of a mental, emotional, or behavioral condition;

29 (C) A physician licensed under ORS chapter 677 who holds a degree of Doctor of Medicine;

30 (D) A naturopathic physician licensed under ORS chapter 685;

31 (E) An expert in the field of public health who has a background in academia;

32 (F) Any three of the following:

33 (i) A person who has professional experience conducting scientific research regarding the use
 34 of psychedelic compounds in clinical therapy;

35 (ii) A person who has experience in the field of mycology;

36 (iii) A person who has experience in the field of ethnobotany;

37 (iv) A person who has experience in the field of psychopharmacology; and

38 (v) A person who has experience in the field of psilocybin harm reduction;

39 (G) A person representing the Oregon Liquor and Cannabis Commission who has experience
 40 working with the system developed and maintained by the commission under ORS 475C.177 for
 41 tracking the transfer of marijuana items;

42 (H) A person representing the Department of Justice; and

43 (I) The following:

44 (i) During the two-year program development period:

45 (I) One of the chief petitioners of chapter 1, Oregon Laws 2021; and

1 (II) One or two at-large members; and

2 (ii) After the two-year program development period, one, two, or three at-large members.

3 (2)(a) The term of office for a board member appointed under this section is four years, but a
4 member serves at the pleasure of the Governor. Before the expiration of the term of a member, the
5 Governor shall appoint a successor whose term begins on January 1 next following. A member is
6 eligible for reappointment. If there is a vacancy for any cause, the Governor shall make an ap-
7 pointment to become immediately effective for the unexpired term.

8 (b) Members of the board described in subsection (1)(a)(B) to (E) of this section are nonvoting
9 ex officio members of the board.

10 (3) A majority of the voting members of the board constitutes a quorum for the transaction of
11 business.

12 (4) Official action by the board requires the approval of a majority of the voting members of the
13 board.

14 (5) The board shall elect one of its voting members to serve as chairperson.

15 (6) During the two-year program development period, the board shall meet at least once every
16 two calendar months at a time and place determined by the chairperson or a majority of the voting
17 members of the board. After the two-year program development period, the board shall meet at least
18 once every calendar quarter at a time and place determined by the chairperson or a majority of the
19 voting members of the board. The board also may meet at other times and places specified by the
20 call of the chairperson or of a majority of the voting members of the board.

21 (7) The board may adopt rules necessary for the operation of the board.

22 (8) The board may establish committees and subcommittees necessary for the operation of the
23 board.

24 (9) Members of the board are entitled to compensation and expenses as provided in ORS 292.495.

25 **SECTION 1341.** ORS 475A.230 is amended to read:

26 475A.230. Duties of Oregon Psilocybin Advisory Board. The Oregon Psilocybin Advisory Board
27 shall:

28 (1) Provide advice to the Oregon [*Health Authority*] **Department of Health** with respect to the
29 administration of ORS 475A.210 to 475A.722;

30 (2) Make recommendations to the [*authority*] **department** on available medical, psychological,
31 and scientific studies, research, and other information relating to the safety and efficacy of
32 psilocybin in treating mental health conditions, including but not limited to addiction, depression,
33 anxiety disorders, and end-of-life psychological distress;

34 (3) Make recommendations to the [*authority*] **department** on the requirements, specifications
35 and guidelines for providing psilocybin services to a client, including:

36 (a) The requirements, specifications and guidelines for holding and verifying the completion of
37 a preparation session, an administration session, and an integration session; and

38 (b) The contents of the client information form that a client must complete and sign before the
39 client participates in an administration session, giving particular consideration to:

40 (A) The information that should be solicited from the client to determine whether the client
41 should participate in the administration session, including information that may identify risk factors
42 and contraindications;

43 (B) The information that should be solicited from the client to assist the psilocybin service
44 center operator and the psilocybin service facilitator in meeting any public health and safety stan-
45 dards and industry best practices during the administration session; and

1 (C) The health and safety warnings and other disclosures that should be made to the client be-
2 fore the client participates in the administration session;

3 (4) Make recommendations to the [authority] **department** on public health and safety standards
4 and industry best practices for each type of licensee under ORS 475A.210 to 475A.722;

5 (5) Make recommendations to the [authority] **department** on the formulation of a code of pro-
6 fessional conduct for psilocybin service facilitators, giving particular consideration to a code of
7 ethics;

8 (6) Make recommendations to the [authority] **department** on the education and training that
9 psilocybin service facilitators must complete:

10 (a) Giving particular consideration to:

11 (A) Facilitation skills that are affirming, nonjudgmental, and nondirective;

12 (B) Support skills for clients during an administration session, including specialized skills for:

13 (i) Client safety; and

14 (ii) Clients who may have a mental health condition;

15 (C) The environment in which psilocybin services should occur; and

16 (D) Social and cultural considerations; and

17 (b) Including whether such education and training should be available through online resources;

18 (7) Make recommendations to the [authority] **department** on the examinations that psilocybin
19 service facilitators must pass;

20 (8) Make recommendations to the [authority] **department** on public health and safety standards
21 and industry best practices for holding and completing an administration session, including:

22 (a) Whether group administration sessions should be available;

23 (b) Whether clients should be able to access common or outside areas on the premises of the
24 psilocybin service center at which the administration session is held;

25 (c) The circumstances under which an administration session is considered complete; and

26 (d) The transportation needs of the client after the completion of the administration session;

27 (9) Develop a long-term strategic plan for ensuring that psilocybin services will become and re-
28 main a safe, accessible and affordable therapeutic option for all persons 21 years of age and older
29 in this state for whom psilocybin may be appropriate;

30 (10) Monitor and study federal laws, regulations and policies regarding psilocybin; and

31 (11) Attempt to meet with the United States Attorney's Office for the District of Oregon to
32 discuss chapter 1, Oregon Laws 2021, and potential federal enforcement policies regarding psilocybin
33 in Oregon after the expiration of the two-year program development period.

34 **SECTION 1342.** ORS 475A.235 is amended to read:

35 475A.235. General powers and duties; rules. (1) The Oregon [Health Authority] **Department of**
36 **Health** has the duties, functions and powers specified in ORS 475A.210 to 475A.722 and the powers
37 necessary or proper to enable the [authority] **department** to carry out the [authority's]
38 **department's** duties, functions and powers under ORS 475A.210 to 475A.722. The jurisdiction,
39 supervision, duties, functions and powers of the [authority] **department** extend to any person that
40 produces, processes, transports, delivers, sells or purchases a psilocybin product in this state or that
41 provides a psilocybin service in this state. The [authority] **department** may sue and be sued.

42 (2) The duties, functions and powers of the [authority] **department** specified in ORS 475A.210
43 to 475A.722 include the following:

44 (a) To examine, publish, and distribute to the public available medical, psychological, and sci-
45 entific studies, research, and other information relating to the safety and efficacy of psilocybin in

1 treating mental health conditions, including but not limited to addiction, depression, anxiety disor-
2 ders, and end-of-life psychological distress.

3 (b) After the two-year program development period:

4 (A) To regulate the manufacturing, transportation, delivery, sale and purchase of psilocybin
5 products and the provision of psilocybin services in this state in accordance with the provisions of
6 ORS 475A.210 to 475A.722;

7 (B) To issue, renew, suspend, revoke or refuse to issue or renew licenses for the manufacturing
8 or sale of psilocybin products, the provision of psilocybin services, or other licenses related to the
9 consumption of psilocybin products, and to permit, in the [authority's] **department's** discretion, the
10 transfer of a license between persons; and

11 (C) To regulate the use of psilocybin products and psilocybin services for other purposes as
12 deemed necessary or appropriate by the [authority] **department**.

13 (c) To adopt, amend or repeal rules as necessary to carry out the intent and provisions of ORS
14 475A.210 to 475A.722, including rules that the [authority] **department** considers necessary to protect
15 the public health and safety.

16 (d) To exercise all powers incidental, convenient or necessary to enable the [authority] **depart-**
17 **ment** to administer or carry out the provisions of ORS 475A.210 to 475A.722 or any other law of
18 this state that charges the [authority] **department** with a duty, function or power related to
19 psilocybin products and psilocybin services. Powers described in this paragraph include, but are not
20 limited to:

21 (A) Issuing subpoenas;

22 (B) Compelling the attendance of witnesses;

23 (C) Administering oaths;

24 (D) Certifying official acts;

25 (E) Taking depositions as provided by law;

26 (F) Compelling the production of books, payrolls, accounts, papers, records, documents and tes-
27 timony; and

28 (G) Establishing fees in addition to the application, licensing and renewal fees described in ORS
29 475A.290, 475A.305, 475A.325 and 475A.594, provided that any fee established by the [authority] **de-**
30 **partment** is reasonably calculated not to exceed the cost of the activity for which the fee is
31 charged.

32 (e) To adopt rules prohibiting advertising psilocybin products to the public.

33 (f) To adopt rules regulating and prohibiting advertising psilocybin services in a manner:

34 (A) That is appealing to minors;

35 (B) That promotes excessive use;

36 (C) That promotes illegal activity;

37 (D) That violates the code of professional conduct for psilocybin service facilitators formulated
38 by the [authority] **department**; or

39 (E) That otherwise presents a significant risk to public health and safety.

40 (3) The [authority] **department** may not require that a psilocybin product be manufactured by
41 means of chemical synthesis.

42 (4) The [authority] **department** may not require a client to be diagnosed with or have any par-
43 ticular medical condition as a condition to being provided psilocybin services.

44 (5) Fees collected pursuant to subsection (2)(d)(G) of this section shall be deposited in the
45 Psilocybin Control and Regulation Fund established under ORS 475A.492.

1 **SECTION 1343.** ORS 475A.240 is amended to read:

2 475A.240. Authority to purchase, possess, seize, transfer to licensee or dispose of psilocybin
3 products. Subject to any applicable provision of ORS chapter 183, the Oregon [*Health Authority*]
4 **Department of Health** may purchase, possess, seize, transfer to a licensee or dispose of psilocybin
5 products as is necessary for the [*authority*] **department** to ensure compliance with and enforce the
6 provisions of ORS 475A.210 to 475A.722 and any rule adopted under ORS 475A.210 to 475A.722.

7 **SECTION 1344.** ORS 475A.243 is amended to read:

8 475A.243. Powers related to decedents and insolvent or bankrupt persons. The Oregon [*Health*
9 *Authority*] **Department of Health** may, by rule or order, provide for the manner and conditions
10 under which:

11 (1) Psilocybin products left by a deceased, insolvent or bankrupt person or licensee, or subject
12 to a security interest, may be foreclosed, sold under execution or otherwise disposed.

13 (2) The business of a deceased, insolvent or bankrupt licensee may be operated for a reasonable
14 period following the death, insolvency or bankruptcy.

15 (3) A secured party, as defined in ORS 79.0102, may continue to operate at a premises for which
16 a license has been issued under ORS 475A.210 to 475A.722 for a reasonable period after default on
17 the indebtedness by the debtor.

18 **SECTION 1345.** ORS 475A.245 is amended to read:

19 475A.245. Application process for all licensees; rules. (1) Except as provided in subsection (2)
20 of this section, an applicant for a license or renewal of a license issued under ORS 475A.210 to
21 475A.722 shall apply to the Oregon [*Health Authority*] **Department of Health** in the form required
22 by the [*authority*] **department** by rule, showing the name and address of the applicant, location of
23 the premises that is to be operated under the license and other pertinent information required by
24 the [*authority*] **department**. The [*authority*] **department** may not issue or renew a license until the
25 applicant has complied with the provisions of ORS 475A.210 to 475A.722 and rules adopted under
26 ORS 475A.210 to 475A.722.

27 (2) The [*authority*] **department** may reject any application that is not submitted in the form
28 required by the [*authority*] **department** by rule. The [*authority*] **department** shall give applicants
29 an opportunity to be heard if an application is rejected. A hearing under this subsection is not
30 subject to the requirements for contested case proceedings under ORS chapter 183.

31 (3) Except as provided in subsection (2) of this section, a revocation of, or a refusal to issue or
32 renew, a license issued under ORS 475A.210 to 475A.722 is subject to the requirements for contested
33 case proceedings under ORS chapter 183.

34 (4) An applicant for a facilitator license or renewal of a facilitator license issued under ORS
35 475A.325 need not show the location of any premises.

36 **SECTION 1346.** ORS 475A.250 is amended to read:

37 475A.250. Grounds for refusing to issue license or issuing restricted license. (1) The Oregon
38 [*Health Authority*] **Department of Health** may not license an applicant under the provisions of ORS
39 475A.210 to 475A.722 if the applicant is under 21 years of age.

40 (2) The [*authority*] **department** may refuse to issue a license or may issue a restricted license
41 to an applicant under the provisions of ORS 475A.210 to 475A.722 if the [*authority*] **department**
42 makes a finding that the applicant:

43 (a) Has not completed any education or training required by the provisions of ORS 475A.210 to
44 475A.722 or rules adopted under ORS 475A.210 to 475A.722.

45 (b) Has not passed any examination required by the provisions of ORS 475A.210 to 475A.722 or

1 rules adopted under ORS 475A.210 to 475A.722.

2 (c) Is in the habit of using alcoholic beverages, habit-forming drugs, or controlled substances to
3 excess.

4 (d) Has made false statements to the [authority] **department**.

5 (e) Is incompetent or physically unable to carry on the management of the establishment pro-
6 posed to be licensed.

7 (f) Has been convicted of violating a federal law, state law or local ordinance if the conviction
8 is substantially related to the fitness and ability of the applicant to lawfully carry out activities
9 under the license.

10 (g) Is not of good repute and moral character.

11 (h) Does not have a good record of compliance with ORS 475A.210 to 475A.722 or any rule
12 adopted under ORS 475A.210 to 475A.722.

13 (i) Is not the legitimate owner of the premises proposed to be licensed, or has not disclosed that
14 other persons have ownership interests in the premises proposed to be licensed.

15 (j) Has not demonstrated financial responsibility sufficient to adequately meet the requirements
16 of the premises proposed to be licensed.

17 (k) Is unable to understand the laws of this state relating to psilocybin products, psilocybin
18 services, or the rules adopted under ORS 475A.210 to 475A.722.

19 (3) Notwithstanding subsection (2)(f) of this section, in determining whether to issue a license
20 or a restricted license to an applicant, the [authority] **department** may not consider the prior con-
21 viction of the applicant or any owner, director, officer, manager, employee, agent or other repre-
22 sentative of the applicant for:

23 (a) The manufacture of psilocybin or the manufacture of a marijuana item, as defined in ORS
24 475C.009, if:

25 (A) The date of the conviction is two or more years before the date of the application; and

26 (B) The person has not been convicted more than once for the manufacture of psilocybin or a
27 marijuana item; or

28 (b) The possession of a controlled substance, as defined in ORS 475.005, or a marijuana item,
29 as defined in ORS 475C.009, if:

30 (A) The date of the conviction is two or more years before the date of the application; or

31 (B) The person has not been convicted more than once for the possession of a controlled sub-
32 stance or a marijuana item.

33 **SECTION 1347.** ORS 475A.255 is amended to read:

34 475A.255. Authority to require fingerprints of applicants and other individuals. For the purpose
35 of requesting a state or nationwide criminal records check under ORS 181A.195, the Oregon [Health
36 Authority] **Department of Health** may require the fingerprints of any individual listed on an ap-
37 plication submitted under ORS 475A.245. The powers conferred on the [authority] **department** under
38 this section include the power to require the fingerprints of:

39 (1) If the applicant is a limited partnership, each general partner of the limited partnership;

40 (2) If the applicant is a manager-managed limited liability company, each manager of the limited
41 liability company;

42 (3) If the applicant is a member-managed limited liability company, each voting member of the
43 limited liability company;

44 (4) If the applicant is a corporation, each director and officer of the corporation; and

45 (5) Any individual who holds a financial interest of 10 percent or more in the person applying

1 for the license.

2 **SECTION 1348.** ORS 475A.265 is amended to read:

3 475A.265. Duties of Oregon [Health Authority] Department of Health with respect to issuing
4 licenses. (1) The Oregon [Health Authority] **Department of Health** shall approve or deny an appli-
5 cation to be licensed under ORS 475A.210 to 475A.722. Upon receiving an application under ORS
6 475A.245, the [authority] **department** may not unreasonably delay processing, approving or denying
7 the application or, if the application is approved, issuing the license.

8 (2) The licenses described in ORS 475A.210 to 475A.722 must be issued by the [authority] **de-**
9 **partment**, subject to the provisions of ORS 475A.210 to 475A.722 and rules adopted under ORS
10 475A.210 to 475A.722.

11 (3) The [authority] **department** may not license a premises that does not have defined bounda-
12 ries. A premises does not need to be enclosed by a wall, fence or other structure, but the
13 [authority] **department** may require a premises to be enclosed as a condition of issuing or renewing
14 a license. The [authority] **department** may not license a mobile premises.

15 **SECTION 1349.** ORS 475A.270 is amended to read:

16 475A.270. Duty to request land use compatibility statement. (1) Prior to receiving a license
17 under ORS 475A.290 or 475A.305, an applicant shall request a land use compatibility statement from
18 the city or county that authorizes the land use. The land use compatibility statement must demon-
19 strate that the requested license is for a land use that is allowable as a permitted or conditional
20 use within the given zoning designation where the land is located. The Oregon [Health Authority]
21 **Department of Health** may not issue a license if the land use compatibility statement shows that
22 the proposed land use is prohibited in the applicable zone.

23 (2) Except as provided in subsection (3) of this section, a city or county that receives a request
24 for a land use compatibility statement under this section must act on that request within 21 days
25 of:

26 (a) Receipt of the request, if the land use is allowable as an outright permitted use; or

27 (b) Final local permit approval, if the land use is allowable as a conditional use.

28 (3) A city or county that receives a request for a land use compatibility statement under this
29 section is not required to act on that request during the period that the [authority] **department**
30 discontinues licensing those premises pursuant to ORS 475A.718 (4).

31 (4) A city or county action concerning a land use compatibility statement under this section is
32 not a land use decision for purposes of ORS chapter 195, 196, 197, 215 or 227.

33 **SECTION 1350.** ORS 475A.290 is amended to read:

34 475A.290. Manufacturer license; fees; rules. (1) The manufacture of psilocybin products is subject
35 to regulation by the Oregon [Health Authority] **Department of Health**.

36 (2) A psilocybin product manufacturer must have a manufacturer license issued by the
37 [authority] **department** for the premises at which the psilocybin products are manufactured. To hold
38 a manufacturer license issued under this section, a psilocybin product manufacturer:

39 (a) Must apply for a license in the manner described in ORS 475A.245;

40 (b) Must provide proof that the applicant is 21 years of age or older;

41 (c) Must, until January 1, 2025:

42 (A) If the direct owner of the business operating or to be operated under the license is a legal
43 entity, provide proof that more than 50 percent of the shares, membership interests, partnership in-
44 terests, or other ownership interests of the legal entity are held, directly or indirectly, by one or
45 more individuals who have been residents of this state for two or more years;

1 (B) If the direct owner of the business operating or to be operated under the license is a part-
 2 nership that is not a legal entity, provide proof that more than 50 percent of the partnership inter-
 3 ests of the partnership are held, directly or indirectly, by one or more individuals who have been
 4 residents of this state for two or more years; and

5 (C) If the direct owner of the business operating or to be operated under the license is an indi-
 6 vidual, provide proof that the individual has been a resident of this state for two or more years; and

7 (d) Must meet the requirements of any rule adopted by the [authority] **department** under sub-
 8 sections (3) and (4) of this section.

9 (3)(a) If the applicant is not the owner of the premises at which the psilocybin is to be manu-
 10 factured, the applicant shall submit to the [authority] **department** signed informed consent from the
 11 owner of the premises to manufacture psilocybin at the premises.

12 (b) The [authority] **department** may adopt rules regarding the informed consent described in this
 13 subsection.

14 (4) The [authority] **department** shall adopt rules that:

15 (a) Require a psilocybin product manufacturer to annually renew a license issued under this
 16 section;

17 (b) Establish application, licensure and renewal of licensure fees for psilocybin product man-
 18 ufacturers; and

19 (c) Require psilocybin products manufactured by psilocybin product manufacturers to be tested
 20 in accordance with ORS 475A.590.

21 (5) Fees adopted under subsection (4)(b) of this section:

22 (a) May not exceed, together with other fees collected under ORS 475A.210 to 475A.722, the cost
 23 of administering ORS 475A.210 to 475A.722; and

24 (b) Shall be deposited in the Psilocybin Control and Regulation Fund established under ORS
 25 475A.492.

26 **SECTION 1351.** ORS 475A.295 is amended to read:

27 475A.295. Psilocybin product manufacturers; endorsements. (1) The Oregon [Health Authority]
 28 **Department of Health** shall adopt rules that designate different types of manufacturing activities.
 29 A psilocybin product manufacturer may only engage in a type of manufacturing activity if the
 30 psilocybin product manufacturer has received an endorsement from the [authority] **department** for
 31 that type of manufacturing activity.

32 (2) An applicant must request an endorsement upon submission of an initial application but may
 33 also request an endorsement at any time following licensure.

34 (3) Only one application and license fee is required regardless of how many endorsements an
 35 applicant or licensee requests or at what time the request is made.

36 (4) A psilocybin product manufacturer licensee may hold multiple endorsements.

37 (5) The [authority] **department** may deny a psilocybin product manufacturer's request for an
 38 endorsement or revoke an existing endorsement if the psilocybin product manufacturer cannot or
 39 does not meet the requirements for the endorsement that is requested. If the [authority] **department**
 40 denies or revokes approval the psilocybin product manufacturer has a right to a hearing under the
 41 procedures of ORS chapter 183.

42 **SECTION 1352.** ORS 475A.300 is amended to read:

43 475A.300. Psilocybin product quantities; rules. The Oregon [Health Authority] **Department of**
 44 **Health** shall adopt rules restricting the quantities of psilocybin products at premises for which a
 45 license has been issued under ORS 475A.290. In adopting rules under this section, the [authority]

1 **department** shall take into consideration the demand for psilocybin services in this state, the
 2 number of psilocybin product manufacturers applying for a license under ORS 475A.290, the number
 3 of psilocybin product manufacturers that hold a license issued under ORS 475A.290 and whether the
 4 availability of psilocybin products in this state is commensurate with the demand for psilocybin
 5 services.

6 **SECTION 1353.** ORS 475A.305 is amended to read:

7 475A.305. Service center operator license; fees; rules. (1)(a) The operation of a psilocybin ser-
 8 vice center is subject to regulation by the Oregon [*Health Authority*] **Department of Health**.

9 (b) A psilocybin service center is not a health care facility subject to ORS chapter 441.

10 (2) A psilocybin service center operator must have a service center operator license issued by
 11 the [*authority*] **department** for the premises at which psilocybin services are provided. To hold a
 12 service center operator license under this section, a psilocybin service center operator:

13 (a) Must apply for a license in the manner described in ORS 475A.245;

14 (b) Must provide proof that the applicant is 21 years of age or older;

15 (c) Must, until January 1, 2025:

16 (A) If the direct owner of the business operating or to be operated under the license is a legal
 17 entity, provide proof that more than 50 percent of the shares, membership interests, partnership in-
 18 terests, or other ownership interests of the legal entity are held, directly or indirectly, by one or
 19 more individuals who have been residents of this state for two or more years;

20 (B) If the direct owner of the business operating or to be operated under the license is a part-
 21 nership that is not a legal entity, provide proof that more than 50 percent of the partnership inter-
 22 ests of the partnership are held, directly or indirectly, by one or more individuals who have been
 23 residents of this state for two or more years; and

24 (C) If the direct owner of the business operating or to be operated under the license is an indi-
 25 vidual, provide proof that the individual has been a resident of this state for two or more years;

26 (d) Must ensure that the psilocybin service center is located in an area that is not:

27 (A) Within the limits of an incorporated city or town; and

28 (B) Zoned exclusively for residential use;

29 (e) Except as provided in ORS 475A.310, must ensure that the psilocybin service center is not
 30 located within 1,000 feet of:

31 (A) A public elementary or secondary school for which attendance is compulsory under ORS
 32 339.020; or

33 (B) A private or parochial elementary or secondary school, teaching children as described in
 34 ORS 339.030 (1)(a); and

35 (f) Must meet the requirements of any rule adopted by the [*authority*] **department** under sub-
 36 section (3) of this section.

37 (3) The [*authority*] **department** shall adopt rules that:

38 (a) Require a psilocybin service center operator to annually renew a license issued under this
 39 section;

40 (b) Establish application, licensure and renewal of licensure fees for psilocybin service center
 41 operators;

42 (c) Require psilocybin products sold by a psilocybin service center operator to be tested in ac-
 43 cordance with ORS 475A.590; and

44 (d) Require a psilocybin service center operator to meet any public health and safety standards
 45 and industry best practices established by the [*authority*] **department** by rule.

1 (4) Fees adopted under subsection (3)(b) of this section:

2 (a) May not exceed, together with other fees collected under ORS 475A.210 to 475A.722, the cost
3 of administering ORS 475A.210 to 475A.722; and

4 (b) Shall be deposited in the Psilocybin Control and Regulation Fund established under ORS
5 475A.492.

6 **SECTION 1354.** ORS 475A.310 is amended to read:

7 475A.310. Proximity of psilocybin service center to school. Notwithstanding ORS 475A.305 (2)(e),
8 a psilocybin service center may be located within 1,000 feet of a school if:

9 (1) The psilocybin service center is not located within 500 feet of:

10 (a) A public elementary or secondary school for which attendance is compulsory under ORS
11 339.020; or

12 (b) A private or parochial elementary or secondary school, teaching children as described in
13 ORS 339.030 (1)(a); and

14 (2) The Oregon [*Health Authority*] **Department of Health** determines that there is a physical
15 or geographic barrier capable of preventing children from traversing to the premises of the
16 psilocybin service center.

17 **SECTION 1355.** ORS 475A.315 is amended to read:

18 475A.315. Establishment of school after issuance of license. If a school described in ORS
19 475A.305 (2)(e) that has not previously been attended by children is established within 1,000 feet of
20 a premises for which a license has been issued under ORS 475A.305, the psilocybin service center
21 operator located at that premises may remain at that location unless the Oregon [*Health*
22 *Authority*] **Department of Health** revokes the license of the psilocybin service center operator un-
23 der ORS 475A.477.

24 **SECTION 1356.** ORS 475A.320 is amended to read:

25 475A.320. Requirement to verify person's age; rules. The Oregon [*Health Authority*] **Department**
26 **of Health** may adopt rules establishing the circumstances under which the [*authority*] **department**
27 may require a psilocybin service center operator that holds a license issued under ORS 475A.305 to
28 use an age verification scanner or any other equipment used to verify a person's age for the purpose
29 of ensuring that the psilocybin service center operator does not sell psilocybin products to a person
30 under 21 years of age. Information obtained under this section may not be retained after verifying
31 a person's age and may not be used for any purpose other than verifying a person's age.

32 **SECTION 1357.** ORS 475A.325 is amended to read:

33 475A.325. Facilitator license; fees; rules. (1) The facilitation of psilocybin services is subject to
34 regulation by the Oregon [*Health Authority*] **Department of Health**.

35 (2) A psilocybin service facilitator must have a facilitator license issued by the [*authority*] **de-**
36 **partment**. To hold a facilitator license issued under this section, a psilocybin service facilitator:

37 (a) Must apply for a license in the manner described in ORS 475A.245;

38 (b) Must provide proof that the applicant is 21 years of age or older;

39 (c) Must, until January 1, 2025, provide proof that the applicant has been a resident of this state
40 for two or more years;

41 (d) Must have a high school diploma or equivalent education;

42 (e) Must submit evidence of completion of education and training prescribed and approved by
43 the [*authority*] **department**;

44 (f) Must have passed an examination approved, administered or recognized by the [*authority*]
45 **department**; and

1 (g) Must meet the requirements of any rule adopted by the [authority] **department** under sub-
 2 section (4) of this section.

3 (3) The [authority] **department** may not require a psilocybin service facilitator to have a degree
 4 from a university, college, post-secondary institution, or other institution of higher education.

5 (4) The [authority] **department** shall adopt rules that:

6 (a) Require a psilocybin service facilitator to annually renew a license issued under this section;

7 (b) Establish application, licensure and renewal of licensure fees for psilocybin service
 8 facilitators; and

9 (c) Require a psilocybin service facilitator to meet any public health and safety standards and
 10 industry best practices established by the [authority] **department** by rule.

11 (5) Fees adopted under subsection (4)(b) of this section:

12 (a) May not exceed, together with other fees collected under ORS 475A.210 to 475A.722, the cost
 13 of administering ORS 475A.210 to 475A.722; and

14 (b) Shall be deposited in the Psilocybin Control and Regulation Fund established under ORS
 15 475A.492.

16 (6) A psilocybin service facilitator may be, but need not be, an employee, manager, director, of-
 17 ficer, partner, member, shareholder, or direct or indirect owner of one or more psilocybin service
 18 center operators.

19 (7) A license issued to a psilocybin service facilitator under this section is not limited to any
 20 one or more premises.

21 **SECTION 1358.** ORS 475A.330 is amended to read:

22 475A.330. Examinations; rules. The Oregon [Health Authority] **Department of Health** shall offer
 23 an examination for applicants for licenses to facilitate psilocybin services at least twice a year.
 24 An applicant who fails any part of the examination may retake the failed section in accordance with
 25 rules adopted by the [authority] **department**.

26 **SECTION 1359.** ORS 475A.335 is amended to read:

27 475A.335. Requirement to verify person's age; rules. The Oregon [Health Authority] **Department**
 28 **of Health** may adopt rules establishing the circumstances under which the [authority] **department**
 29 may require a psilocybin service facilitator that holds a license issued under ORS 475A.325 to use
 30 an age verification scanner or any other equipment used to verify a person's age for the purpose
 31 of ensuring that the psilocybin service facilitator does not provide psilocybin services to a person
 32 under 21 years of age. Information obtained under this section may not be retained after verifying
 33 a person's age and may not be used for any purpose other than verifying a person's age.

34 **SECTION 1360.** ORS 475A.340 is amended to read:

35 475A.340. Psilocybin services. The Oregon [Health Authority] **Department of Health** shall adopt
 36 by rule the requirements, specifications and guidelines for:

- 37 (1) Providing psilocybin services to a client;
- 38 (2) Holding and verifying the completion of a preparation session;
- 39 (3) Having a client complete, sign, and deliver a client information form to a psilocybin service
 40 center operator and a psilocybin service facilitator;
- 41 (4) Holding and verifying the completion of an administration session; and
- 42 (5) Holding and verifying the completion of an integration session.

43 **SECTION 1361.** ORS 475A.345 is amended to read:

44 475A.345. Preparation session. (1) Before a client participates in an administration session, the
 45 client must attend a preparation session with a psilocybin service facilitator.

(2) A preparation session may be, but need not be, held at a psilocybin service center.

(3) If a preparation session is completed in accordance with all applicable requirements, specifications and guidelines, as determined by the Oregon *[Health Authority]* **Department of Health**, the psilocybin service facilitator must certify, in a form and manner prescribed by the *[authority]* **department**, that the client completed the preparation session.

SECTION 1362. ORS 475A.350 is amended to read:

475A.350. Client information form. (1) Before a client participates in an administration session:

(a) The client must complete and sign a client information form, in a form and manner prescribed by the Oregon *[Health Authority]* **Department of Health**; and

(b) A copy of the completed and signed client information form must be delivered to:

(A) The psilocybin service center operator that operates the psilocybin service center at which the administration session is to be held; and

(B) The psilocybin service facilitator that will supervise the administration session.

(2) The client information form:

(a) Will solicit from the client such information as may be necessary:

(A) To enable a psilocybin service center operator and a psilocybin service facilitator to determine whether the client should participate in an administration session, including information that may identify risk factors and contraindications; and

(B) If so, to assist the psilocybin service center operator and the psilocybin service facilitator in meeting any public health and safety standards and industry best practices during the administration session; and

(b) Will contain such health and safety warnings and other disclosures to the client as the *[authority]* **department** may prescribe.

SECTION 1363. ORS 475A.355 is amended to read:

475A.355. Administration session. (1) After a client completes a preparation session and completes and signs a client information form, the client may participate in an administration session.

(2) An administration session must be held at a psilocybin service center.

(3) If an administration session is completed in accordance with all applicable requirements, specifications and guidelines, as determined by the Oregon *[Health Authority]* **Department of Health**, the psilocybin service facilitator must certify, in a form and manner prescribed by the *[authority]* **department**, that the client completed the administration session.

SECTION 1364. ORS 475A.360 is amended to read:

475A.360. Integration session. (1) After a client completes an administration session, the psilocybin service facilitator who supervised the administration session must offer the client an opportunity to participate in an integration session. The client may, but need not, participate in an integration session.

(2) An integration session may be, but need not be, held at a psilocybin service center.

(3) If an integration session is completed in accordance with all applicable requirements, specifications and guidelines, as determined by the Oregon *[Health Authority]* **Department of Health**, the psilocybin service facilitator must certify, in a form and manner prescribed by the *[authority]* **department**, that the client completed the integration session.

SECTION 1365. ORS 475A.370 is amended to read:

475A.370. Protections on refusal to provide psilocybin services to a client. (1) Subject to other applicable law, a licensee or licensee representative may refuse to provide psilocybin services to a potential client for any or no reason.

1 (2)(a) Except as provided in paragraph (b) of this subsection, and subject to other applicable law,
 2 a licensee or licensee representative may cease providing psilocybin services to a client for any or
 3 no reason.

4 (b) A psilocybin service center operator and a psilocybin service facilitator may not cease pro-
 5 viding psilocybin services to a client during an administration session after the client has consumed
 6 a psilocybin product, except as authorized by the Oregon [*Health Authority*] **Department of Health**
 7 by rule, or as necessary in an emergency.

8 **SECTION 1366.** ORS 475A.375 is amended to read:

9 475A.375. Powers and duties relating to psilocybin service facilitators. The Oregon [*Health Au-*
 10 *thority*] **Department of Health** shall:

11 (1) Determine the qualifications, training, education and fitness of applicants for licenses to fa-
 12 cilitate psilocybin services, giving particular consideration to:

13 (a) Facilitation skills that are affirming, nonjudgmental, and nondirective;

14 (b) Support skills for clients during an administration session, including specialized skills for:

15 (A) Client safety; and

16 (B) Clients who may have a mental health condition;

17 (c) The environment in which psilocybin services should occur; and

18 (d) Social and cultural considerations;

19 (2) Formulate a code of professional conduct for psilocybin service facilitators, giving particular
 20 consideration to a code of ethics;

21 (3) Establish standards of practice and professional responsibility for individuals licensed by the
 22 [*authority*] **department** to facilitate psilocybin services;

23 (4) Select licensing examinations for licenses to facilitate psilocybin services;

24 (5) Provide for waivers of examinations as appropriate; and

25 (6) Appoint representatives to conduct or supervise examinations of applicants for licenses to
 26 facilitate psilocybin services.

27 **SECTION 1367.** ORS 475A.380 is amended to read:

28 475A.380. Minimum standards of education and training for psilocybin service facilitators; rules.

29 (1) The Oregon [*Health Authority*] **Department of Health** shall adopt by rule minimum standards
 30 of education and training requirements for psilocybin service facilitators.

31 (2) The [*authority*] **department** shall approve courses for psilocybin service facilitators. To ob-
 32 tain approval of a course, the provider of a course must submit an outline of instruction to the
 33 [*authority*] **department** and the Department of Education. The outline must include the approved
 34 courses, total hours of instruction, hours of lectures in theory and the hours of instruction in ap-
 35 plication of practical skills.

36 **SECTION 1368.** ORS 475A.385 is amended to read:

37 475A.385. Authority to inspect books and premises; notice. (1) The Oregon [*Health Authority*]
 38 **Department of Health** may, after 72 hours' notice, make an examination of the books of a licensee
 39 for the purpose of determining compliance with ORS 475A.210 to 475A.722 and rules adopted under
 40 ORS 475A.210 to 475A.722.

41 (2) The [*authority*] **department** may at any time make an examination of a premises for which
 42 a license has been issued under ORS 475A.210 to 475A.722 for the purpose of determining compli-
 43 ance with ORS 475A.210 to 475A.722 and rules adopted under ORS 475A.210 to 475A.722.

44 (3) The [*authority*] **department** may not require the books of a licensee to be maintained on a
 45 premises of the licensee.

1 **SECTION 1369.** ORS 475A.390 is amended to read:

2 475A.390. Authority to require segregation of premises. If a licensee holds more than one license
3 issued under ORS 475A.210 to 475A.722 for the same premises, the Oregon [*Health Authority*] **De-**
4 **partment of Health** may require the premises to be segregated into separate areas for conducting
5 the activities permitted under each license as is necessary to protect the public health and safety.

6 **SECTION 1370.** ORS 475A.395 is amended to read:

7 475A.395. Authority to require general liability insurance. As is necessary to protect the public
8 health and safety, the Oregon [*Health Authority*] **Department of Health** may require a licensee to
9 maintain general liability insurance in an amount that the [*authority*] **department** determines is
10 reasonably affordable and available for the purpose of protecting the licensee against damages re-
11 sulting from a cause of action related to activities undertaken pursuant to the license held by the
12 licensee.

13 **SECTION 1371.** ORS 475A.400 is amended to read:

14 475A.400. Use of Oregon Liquor and Cannabis Commission tracking system for psilocybin pro-
15 ducts; exemptions; rules. (1) The Oregon [*Health Authority*] **Department of Health** shall:

16 (a) Develop and maintain a system for tracking the transfer of psilocybin products between
17 premises for which licenses have been issued under ORS 475A.210 to 475A.722; or

18 (b) Enter into an agreement with the Oregon Liquor and Cannabis Commission under which the
19 commission shall permit the [*authority*] **department** to use the system developed and maintained
20 under ORS 475C.177 to track the transfer of psilocybin products between premises for which licenses
21 have been issued under ORS 475A.210 to 475A.722.

22 (2) The purposes of the system include, but are not limited to:

23 (a) Preventing the diversion of psilocybin products to other states;

24 (b) Preventing persons from substituting or tampering with psilocybin products;

25 (c) Ensuring an accurate accounting of the production, processing and sale of psilocybin pro-
26 ducts;

27 (d) Ensuring that laboratory testing results are accurately reported; and

28 (e) Ensuring compliance with ORS 475A.210 to 475A.722, rules adopted under ORS 475A.210 to
29 475A.722 and any other law of this state that charges the [*authority*] **department** or commission
30 with a duty, function or power related to psilocybin.

31 (3) The system must be capable of tracking, at a minimum:

32 (a) The manufacturing of psilocybin products;

33 (b) The sale of psilocybin products by a psilocybin service center operator to a client;

34 (c) The sale and purchase of psilocybin products between licensees, as permitted by ORS
35 475A.210 to 475A.722;

36 (d) The transfer of psilocybin products between premises for which licenses have been issued
37 under ORS 475A.210 to 475A.722; and

38 (e) Any other information that the [*authority*] **department** determines is reasonably necessary
39 to accomplish the duties, functions and powers of the [*authority*] **department** under ORS 475A.210
40 to 475A.722.

41 (4) Notwithstanding ORS 475A.710, before making any other distribution from the Oregon
42 Psilocybin Account established under ORS 475A.710, the Department of Revenue shall first distrib-
43 ute moneys quarterly from the account to the commission for deposit in the Marijuana Control and
44 Regulation Fund established under ORS 475C.297 for purposes of paying any costs incurred by the
45 commission under subsection (1)(b) of this section. For purposes of estimating the amount of moneys

1 necessary to pay any costs incurred under this section, the commission shall establish a formulary
2 based on expected costs for each licensee that is tracked under this section. The commission shall
3 provide to the Department of Revenue and the Legislative Fiscal Officer before each quarter the
4 estimated amount of moneys necessary to pay costs expected to be incurred under this section and
5 the formulary.

6 **SECTION 1372.** ORS 475A.405 is amended to read:

7 475A.405. Authority to prevent diversion of psilocybin products. Except as otherwise provided
8 by law, the Oregon [*Health Authority*] **Department of Health** has any power, and may perform any
9 function, necessary for the [*authority*] **department** to prevent the diversion of psilocybin products
10 from licensees to a source that is not operating legally under the laws of this state.

11 **SECTION 1373.** ORS 475A.410 is amended to read:

12 475A.410. Authority to discipline for unregulated commerce. In addition to any other discipli-
13 nary action available to the Oregon [*Health Authority*] **Department of Health** under ORS 475A.210
14 to 475A.722, the [*authority*] **department** may immediately restrict, suspend or refuse to renew a li-
15 cense issued under ORS 475A.210 to 475A.722 if circumstances create probable cause for the [*au-*
16 *thority*] **department** to conclude that a licensee has purchased or received a psilocybin product from
17 an unlicensed source or that a licensee has sold, stored or transferred a psilocybin product in a
18 manner that is not permitted by the licensee's license.

19 **SECTION 1374.** ORS 475A.415 is amended to read:

20 475A.415. Authority to require financial disclosure from licensee. (1) The Oregon [*Health Au-*
21 *thority*] **Department of Health** may require a licensee or applicant for a license under ORS
22 475A.210 to 475A.722 to submit, in a form and manner prescribed by the [*authority*] **department**, to
23 the [*authority*] **department** a sworn statement showing:

24 (a) The name and address of each person that has a financial interest in the business operating
25 or to be operated under the license; and

26 (b) The nature and extent of the financial interest of each person that has a financial interest
27 in the business operating or to be operated under the license.

28 (2) The [*authority*] **department** may refuse to issue, or may suspend, revoke or refuse to renew,
29 a license issued under ORS 475A.210 to 475A.722 if the [*authority*] **department** determines that a
30 person that has a financial interest in the business operating or to be operated under the license
31 committed or failed to commit an act that would constitute grounds for the [*authority*] **department**
32 to refuse to issue, or to suspend, revoke or refuse to renew, the license if the person were the
33 licensee or applicant for the license.

34 **SECTION 1375.** ORS 475A.420 is amended to read:

35 475A.420. Authority to investigate, discipline licensees. (1) Notwithstanding the lapse, suspen-
36 sion or revocation of a license issued under ORS 475A.210 to 475A.722, the Oregon [*Health*
37 *Authority*] **Department of Health** may:

38 (a) Proceed with any investigation of, or any action or disciplinary proceeding against, the per-
39 son who held the license; or

40 (b) Revise or render void an order suspending or revoking the license.

41 (2) In cases involving the proposed denial of a license issued under ORS 475A.210 to 475A.722,
42 the applicant for licensure may not withdraw the applicant's application.

43 **SECTION 1376.** ORS 475A.425 is amended to read:

44 475A.425. Authority to investigate, discipline permit holder. (1) Notwithstanding the lapse,
45 suspension or revocation of a permit issued under ORS 475A.483, the Oregon [*Health Authority*]

1 **Department of Health** may:

2 (a) Proceed with any investigation of, or any action or disciplinary proceeding against, the per-
3 son who held the permit; or

4 (b) Revise or render void an order suspending or revoking the permit.

5 (2) In cases involving the proposed denial of a permit issued under ORS 475A.483, the applicant
6 may not withdraw the applicant's application.

7 **SECTION 1377.** ORS 475A.435 is amended to read:

8 475A.435. Restrictions on delivery or receipt; waiver by authority. (1) A psilocybin product
9 manufacturer that holds a license under ORS 475A.290:

10 (a) May deliver psilocybin products only to or on a premises for which a license has been issued
11 under ORS 475A.290 or 475A.305; and

12 (b) May receive psilocybin products only from a psilocybin product manufacturer that holds a
13 license under ORS 475A.290.

14 (2) A psilocybin service center operator that holds a license under ORS 475A.305:

15 (a) May deliver psilocybin products only to or on a premises for which a license has been issued
16 under ORS 475A.305; and

17 (b) May receive psilocybin products only from a psilocybin product manufacturer that holds a
18 license under ORS 475A.290 or a psilocybin service center operator that holds a license under ORS
19 475A.305.

20 (3) The sale of psilocybin products to a client by a psilocybin service center operator that holds
21 a license issued under ORS 475A.305 must be restricted to the premises for which the license has
22 been issued.

23 (4) The Oregon [*Health Authority*] **Department of Health** may by order waive the requirements
24 of subsections (1) and (2) of this section to ensure compliance with ORS 475A.210 to 475A.722 or a
25 rule adopted under ORS 475A.210 to 475A.722. An order issued under this subsection does not con-
26 stitute a waiver of any other requirement of ORS 475A.210 to 475A.722 or any other rule adopted
27 under ORS 475A.210 to 475A.722.

28 **SECTION 1378.** ORS 475A.445 is amended to read:

29 475A.445. Identification requirement; rules. (1) Subject to subsection (2) of this section, a
30 licensee or licensee representative, before selling or providing a psilocybin product to another per-
31 son, must require the person to produce one of the following pieces of identification:

32 (a) The person's passport.

33 (b) The person's driver license, issued by the State of Oregon or another state of the United
34 States.

35 (c) An identification card issued under ORS 807.400.

36 (d) A United States military identification card.

37 (e) An identification card issued by a federally recognized Indian tribe.

38 (f) Any other identification card issued by a state or territory of the United States that bears
39 a picture of the person, the name of the person, the person's date of birth and a physical description
40 of the person.

41 (2) The Oregon [*Health Authority*] **Department of Health** may adopt rules exempting a licensee
42 or licensee representative from this section.

43 (3) A client may not be required to procure for the purpose of acquiring or purchasing a
44 psilocybin product a piece of identification other than a piece of identification described in sub-
45 section (1) of this section.

1 **SECTION 1379.** ORS 475A.450 is amended to read:

2 475A.450. Confidentiality of information and communications by clients; exceptions. A psilocybin
3 service center operator, a psilocybin service facilitator, or any employee of a psilocybin service
4 center operator or psilocybin service facilitator may not disclose any information that may be used
5 to identify a client, or any communication made by a client during the course of providing psilocybin
6 services or selling psilocybin products to the client, except:

7 (1) When the client or a person authorized to act on behalf of the client gives consent to the
8 disclosure;

9 (2) When the client initiates legal action or makes a complaint against the psilocybin service
10 center operator, the psilocybin service facilitator, or the employee;

11 (3) When the communication reveals the intent to commit a crime harmful to the client or oth-
12 ers;

13 (4) When the communication reveals that a minor may have been a victim of a crime or physical,
14 sexual or emotional abuse or neglect; or

15 (5) When responding to an inquiry by the Oregon [*Health Authority*] **Department of Health**
16 made during the course of an investigation into the conduct of the psilocybin service center opera-
17 tor, the psilocybin service facilitator, or the employee under ORS 475A.210 to 475A.722.

18 **SECTION 1380.** ORS 475A.460 is amended to read:

19 475A.460. Prohibition against employing persons under 21 years of age. (1) A licensee may not
20 employ a person under 21 years of age at a premises for which a license has been issued under ORS
21 475A.210 to 475A.722.

22 (2) During an inspection of a premises for which a license has been issued under ORS 475A.210
23 to 475A.722, the Oregon [*Health Authority*] **Department of Health** may require proof that a person
24 performing work at the premises is 21 years of age or older. If the person does not provide the
25 [*authority*] **department** with acceptable proof of age upon request, the [*authority*] **department** may
26 require the person to immediately cease any activity and leave the premises until the [*authority*]
27 **department** receives acceptable proof of age. This subsection does not apply to a person tempo-
28 rarily at the premises to make a service, maintenance or repair call or for other purposes inde-
29 pendent of the premises operations.

30 (3) If a person performing work has not provided proof of age requested by the [*authority*] **de-**
31 **partment** under subsection (2) of this section, the [*authority*] **department** may request that the
32 licensee provide proof that the person is 21 years of age or older. Failure of the licensee to respond
33 to a request made under this subsection by providing acceptable proof of age for a person is prima
34 facie evidence that the licensee has allowed the person to perform work at the premises for which
35 a license has been issued under ORS 475A.210 to 475A.722 in violation of the minimum age re-
36 quirement.

37 **SECTION 1381.** ORS 475A.465 is amended to read:

38 475A.465. Prohibition against obfuscating mark or label or using mark or label to deceive. (1)
39 A licensee may not use or allow the use of a mark or label on the container of a psilocybin product
40 that is kept for sale if the mark or label does not precisely and clearly indicate the nature of the
41 container's contents or if the mark or label in any way might deceive a person about the nature,
42 composition, quantity, age or quality of the container's contents.

43 (2) The Oregon [*Health Authority*] **Department of Health** may prohibit a licensee from selling
44 any psilocybin product that in the [*authority's*] **department's** judgment is deceptively labeled or
45 contains injurious or adulterated ingredients.

1 **SECTION 1382.** ORS 475A.468 is amended to read:

2 475A.468. Requirement that psilocybin products comply with minimum standards. (1) A
3 psilocybin product may not be sold or offered for sale within this state unless the psilocybin product
4 complies with the minimum standards prescribed by the statutory laws of this state.

5 (2) The Oregon [*Health Authority*] **Department of Health** may prohibit the sale of a psilocybin
6 product by a psilocybin service center operator for a reasonable period of time for the purpose of
7 determining whether the psilocybin product complies with the minimum standards prescribed by the
8 statutory laws of this state.

9 **SECTION 1383.** ORS 475A.471 is amended to read:

10 475A.471. Other prohibitions. (1) A person may not make false representations or statements to
11 the Oregon [*Health Authority*] **Department of Health** in order to induce or prevent action by the
12 [*authority*] **department**.

13 (2) A licensee may not maintain a noisy, lewd, disorderly or insanitary establishment or supply
14 impure or otherwise deleterious psilocybin products.

15 (3) A licensee may not misrepresent to a person or to the public any psilocybin products.

16 **SECTION 1384.** ORS 475A.477 is amended to read:

17 475A.477. Grounds for revocation, suspension or restriction of license. The Oregon [*Health Au-*
18 *thority*] **Department of Health** may revoke, suspend or restrict a license issued under ORS 475A.210
19 to 475A.722 or require a licensee or licensee representative to undergo training if the [*authority*]
20 **department** finds or has reasonable ground to believe any of the following to be true:

21 (1) That the licensee or licensee representative:

22 (a) Has violated a provision of ORS 475A.210 to 475A.722 or a rule adopted under ORS 475A.210
23 to 475A.722, including any code of professional conduct or code of ethics.

24 (b) Has made any false representation or statement to the [*authority*] **department** in order to
25 induce or prevent action by the [*authority*] **department**.

26 (c) Is insolvent or incompetent or physically unable to carry on the management of the estab-
27 lishment of the licensee.

28 (d) Is in the habit of using alcoholic liquor, habit-forming drugs, marijuana, psilocybin products
29 or controlled substances to excess.

30 (e) Has misrepresented to a person or the public any psilocybin products sold by the licensee
31 or licensee representative.

32 (f) Since the issuance of the license, has been convicted of a felony, of violating any of the
33 psilocybin products laws of this state, general or local, or of any misdemeanor or violation of any
34 municipal ordinance committed on the premises for which the license has been issued.

35 (2) That there is any other reason that, in the opinion of the [*authority*] **department**, based on
36 public convenience or necessity, warrants revoking, suspending or restricting the license.

37 **SECTION 1385.** ORS 475A.480 is amended to read:

38 475A.480. Permit required to perform work for or on behalf of a licensee. (1) An individual who
39 performs work for or on behalf of a licensee must have a valid permit issued by the Oregon [*Health*
40 *Authority*] **Department of Health** under ORS 475A.483 if the individual participates in:

41 (a) The provision of psilocybin services at the premises for which the license has been issued;

42 (b) The possession, manufacturing, securing or selling of psilocybin products at the premises for
43 which the license has been issued;

44 (c) The recording of the possession, manufacturing, securing or selling of psilocybin products
45 at the premises for which the license has been issued; or

1 (d) The verification of any document described in ORS 475A.445.

2 (2) A licensee must verify that an individual has a valid permit issued under ORS 475A.483 be-
3 fore allowing the individual to perform any work described in subsection (1) of this section at the
4 premises for which the license has been issued.

5 **SECTION 1386.** ORS 475A.483 is amended to read:

6 475A.483. Issuing, renewing permits; fees; rules. (1) The Oregon [*Health Authority*] **Department**
7 **of Health** shall issue permits to qualified applicants to perform work described in ORS 475A.480.
8 The [*authority*] **department** shall adopt rules establishing:

9 (a) The qualifications for performing work described in ORS 475A.480;

10 (b) The term of a permit issued under this section;

11 (c) Procedures for applying for and renewing a permit issued under this section; and

12 (d) Reasonable application, issuance and renewal fees for a permit issued under this section.

13 (2)(a) The [*authority*] **department** may require an individual applying for a permit under this
14 section to successfully complete a course, made available by or through the [*authority*]
15 **department**, through which the individual receives training on:

16 (A) Checking identification;

17 (B) Detecting intoxication;

18 (C) Handling psilocybin products;

19 (D) If applicable, the manufacturing of psilocybin products;

20 (E) The content of ORS 475A.210 to 475A.722 and rules adopted under ORS 475A.210 to
21 475A.722; or

22 (F) Any matter deemed necessary by the [*authority*] **department** to protect the public health and
23 safety.

24 (b) The [*authority*] **department** or other provider of a course may charge a reasonable fee for
25 the course.

26 (c) The [*authority*] **department** may not require an individual to successfully complete a course
27 more than once, except that:

28 (A) As part of a final order suspending a permit issued under this section, the [*authority*] **de-**
29 **partment** may require a permit holder to successfully complete the course as a condition of lifting
30 the suspension; and

31 (B) As part of a final order revoking a permit issued under this section, the [*authority*] **depart-**
32 **ment** shall require an individual to successfully complete the course prior to applying for a new
33 permit.

34 (3) The [*authority*] **department** shall conduct a criminal records check under ORS 181A.195 on
35 an individual applying for a permit under this section.

36 (4) Subject to the applicable provisions of ORS chapter 183, the [*authority*] **department** may
37 suspend, revoke or refuse to issue or renew a permit if the individual who is applying for or who
38 holds the permit:

39 (a) Is convicted of a felony or is convicted of an offense under ORS 475A.210 to 475A.722, except
40 that the [*authority*] **department** may not consider a conviction for an offense under ORS 475A.210
41 to 475A.722 if the date of the conviction is two or more years before the date of the application or
42 renewal;

43 (b) Violates any provision of ORS 475A.210 to 475A.722 or any rule adopted under ORS 475A.210
44 to 475A.722; or

45 (c) Makes a false statement to the [*authority*] **department**.

1 (5) A permit issued under this section is a personal privilege and permits work described under
2 ORS 475A.480 only for the individual who holds the permit.

3 **SECTION 1387.** ORS 475A.486 is amended to read:

4 475A.486. Authority to require fingerprints of individuals listed on application. For the purpose
5 of requesting a state or nationwide criminal records check under ORS 181A.195, the Oregon [*Health*
6 *Authority*] **Department of Health** may require the fingerprints of any individual listed on an ap-
7 plication submitted under ORS 475A.483.

8 **SECTION 1388.** ORS 475A.489 is amended to read:

9 475A.489. Whistleblower protection for employees. (1) It is an unlawful employment practice for
10 a licensee to discharge, demote, suspend or in any manner discriminate or retaliate against an em-
11 ployee of the licensee with regard to promotion, compensation or other terms, conditions or privi-
12 leges of employment on the basis that the employee has in good faith reported information to the
13 Oregon [*Health Authority*] **Department of Health** that the employee believes is evidence of a vio-
14 lation of ORS 475A.210 to 475A.722 or a rule adopted under ORS 475A.210 to 475A.722.

15 (2) This section is subject to enforcement under ORS chapter 659A.

16 **SECTION 1389.** ORS 475A.492 is amended to read:

17 475A.492. Psilocybin Control and Regulation Fund. The Psilocybin Control and Regulation Fund
18 is established in the State Treasury, separate and distinct from the General Fund. Interest earned
19 by the Psilocybin Control and Regulation Fund shall be credited to the fund. Moneys in the fund
20 are continuously appropriated to the Oregon [*Health Authority*] **Department of Health** to adminis-
21 ter and enforce ORS 475A.210 to 475A.722.

22 **SECTION 1390.** ORS 475A.495 is amended to read:

23 475A.495. Prohibition against person under 21 years of age entering premises; penalty. (1) Except
24 as authorized by the Oregon [*Health Authority*] **Department of Health** by rule, or as necessary in
25 an emergency, a person under 21 years of age may not enter or attempt to enter any portion of a
26 premises that is posted or otherwise identified as being prohibited to the use of persons under 21
27 years of age.

28 (2) A person who violates subsection (1) of this section commits a Class B violation.

29 (3) The prohibitions of this section do not apply to a person under 21 years of age who is acting
30 under the direction of the [*authority*] **department** or under the direction of state or local law
31 enforcement agencies for the purpose of investigating possible violations of laws prohibiting sales
32 of psilocybin products to persons who are under 21 years of age.

33 (4) The prohibitions of this section do not apply to a person under 21 years of age who is acting
34 under the direction of a licensee for the purpose of investigating possible violations by employees
35 of the licensee of laws prohibiting sales of psilocybin products to persons who are under 21 years
36 of age.

37 (5)(a) A person under 21 years of age is not in violation of, and is immune from prosecution
38 under, this section if:

39 (A) The person contacted emergency medical services or a law enforcement agency in order to
40 obtain medical assistance for another person who was in need of medical assistance because that
41 person consumed a psilocybin product and the evidence of the violation was obtained as a result of
42 the person's having contacted emergency medical services or a law enforcement agency; or

43 (B) The person was in need of medical assistance because the person consumed a psilocybin
44 product and the evidence of the violation was obtained as a result of the person's having sought or
45 obtained the medical assistance.

1 (b) Paragraph (a) of this subsection does not exclude the use of evidence obtained as a result
 2 of a person's having sought medical assistance in proceedings for crimes or offenses other than a
 3 violation of this section.

4 **SECTION 1391.** ORS 475A.510 is amended to read:

5 475A.510. Authority to issue subpoenas. For purposes of ORS 475A.210 to 475A.722, the pro-
 6 visions of ORS 183.440 apply to subpoenas issued by the Oregon [*Health Authority*] **Department of**
 7 **Health** and to subpoenas issued by an authorized agent of the [*authority*] **department**.

8 **SECTION 1392.** ORS 475A.513 is amended to read:

9 475A.513. Civil penalty for violating ORS 475A.210 to 475A.722. In addition to any other liability
 10 or penalty provided by law, the Oregon [*Health Authority*] **Department of Health** may impose for
 11 each violation of a provision of ORS 475A.210 to 475A.722 or a rule adopted under ORS 475A.210
 12 to 475A.722 a civil penalty that does not exceed \$5,000 for each violation. The [*authority*] **depart-**
 13 **ment** shall impose civil penalties under this section in the manner provided by ORS 183.745. Moneys
 14 collected under this section shall be deposited in the Psilocybin Control and Regulation Fund es-
 15 tablished under ORS 475A.492.

16 **SECTION 1393.** ORS 475A.516 is amended to read:

17 475A.516. Authority of law enforcement to enforce ORS 475A.210 to 475A.722. The law enforce-
 18 ment officers of this state may enforce ORS 475A.210 to 475A.722 and assist the Oregon [*Health*
 19 *Authority*] **Department of Health** in detecting violations of ORS 475A.210 to 475A.722 and appre-
 20 hending offenders. A law enforcement officer who has notice, knowledge or reasonable ground of
 21 suspicion of a violation of ORS 475A.210 to 475A.722 shall immediately notify the district attorney
 22 who has jurisdiction over the violation and furnish the district attorney who has jurisdiction over
 23 the violation with names and addresses of any witnesses to the violation or other information re-
 24 lated to the violation.

25 **SECTION 1394.** ORS 475A.519 is amended to read:

26 475A.519. Duty to notify Oregon [*Health Authority*] **Department of Health** of conviction of
 27 licensee. The county courts, district attorneys and municipal authorities, immediately upon the
 28 conviction of a licensee of a violation of ORS 475A.210 to 475A.722, or of a violation of any other
 29 law of this state or ordinance of a city or county located in this state an element of which is the
 30 possession, delivery or manufacture of a psilocybin product, shall notify the Oregon [*Health Au-*
 31 *thority*] **Department of Health** of the conviction.

32 **SECTION 1395.** ORS 475A.538 is amended to read:

33 475A.538. Repeal of city, county ordinance that prohibits certain establishments. (1) The gov-
 34 erning body of a city or county may repeal an ordinance that prohibits the establishment of any one
 35 or more of the following in the area subject to the jurisdiction of the city or in the unincorporated
 36 area subject to the jurisdiction of the county:

- 37 (a) Psilocybin product manufacturers that hold a license issued under ORS 475A.290;
- 38 (b) Psilocybin service center operators that hold a license issued under ORS 475A.305; or
- 39 (c) Any combination of the entities described in this subsection.

40 (2) If the governing body of a city or county repeals an ordinance under this section, the gov-
 41 erning body must provide the text of the ordinance to the Oregon [*Health Authority*] **Department**
 42 **of Health**, in a form and manner prescribed by the [*authority*] **department**, if the ordinance con-
 43 cerns a premises for which a license has been issued under ORS 475A.210 to 475A.722.

44 **SECTION 1396.** ORS 475A.542 is amended to read:

45 475A.542. Duty of Oregon Liquor and Cannabis Commission to assist. The Oregon Liquor and

1 Cannabis Commission shall assist and cooperate with the Oregon [*Health Authority*] **Department**
 2 **of Health** and the State Department of Agriculture to the extent necessary for the [*authority*]
 3 **Oregon Department of Health** and the [*department*] **State Department of Agriculture** to carry
 4 out the duties of the [*authority*] **Oregon Department of Health** and the [*department*] **State De-**
 5 **partment of Agriculture** under ORS 475A.210 to 475A.722.

6 **SECTION 1397.** ORS 475A.546 is amended to read:

7 475A.546. Duty of State Department of Agriculture to assist. The State Department of Agri-
 8 culture shall assist and cooperate with the Oregon [*Health Authority*] **Department of Health** to the
 9 extent necessary for the [*authority*] **Oregon Department of Health** to carry out the duties of the
 10 [*authority*] **department** under ORS 475A.210 to 475A.722.

11 **SECTION 1398.** ORS 475A.554 is amended to read:

12 475A.554. Prohibition against refusing to perform duties on basis that certain conduct is pro-
 13 hibited by federal law. (1) The Oregon [*Health Authority*] **Department of Health**, the State De-
 14 partment of Agriculture and the Oregon Liquor and Cannabis Commission may not refuse to perform
 15 any duty under ORS 475A.210 to 475A.722 on the basis that manufacturing, distributing, dispensing,
 16 possessing or using psilocybin products is prohibited by federal law.

17 (2) The [*authority*] **Oregon Department of Health** may not revoke or refuse to issue or renew
 18 a license or permit under ORS 475A.210 to 475A.722 on the basis that manufacturing, distributing,
 19 dispensing, possessing or using psilocybin products is prohibited by federal law.

20 **SECTION 1399.** ORS 475A.558 is amended to read:

21 475A.558. Immunity for state agencies, officers and employees in performance of duties. A person
 22 may not sue the Oregon [*Health Authority*] **Department of Health**, the State Department of Agri-
 23 culture or the Oregon Liquor and Cannabis Commission or a member of the commission, or any
 24 employee of [*the authority*,] **each** department or **the** commission, for performing or omitting to per-
 25 form any duty, function or power of [*the authority*,] **each** department or **the** commission set forth in
 26 ORS 475A.210 to 475A.722 or in any other law of this state requiring the [*authority*,] department or
 27 commission to perform a duty, function or power related to psilocybin products.

28 **SECTION 1400.** ORS 475A.574 is amended to read:

29 475A.574. Regulation of psilocybin products as food or other commodity subject to regulation
 30 by State Department of Agriculture. (1) Notwithstanding the authority granted to the State Depart-
 31 ment of Agriculture under ORS chapters 571, 618 and 633 and ORS 632.275 to 632.290, 632.450 to
 32 632.490, 632.516 to 632.625, 632.705 to 632.815, 632.835 to 632.850 and 632.900 to 632.985, the depart-
 33 ment may not exercise authority over psilocybin products or a licensee, except that ORS 618.121 to
 34 618.161, 618.991, 618.995, 633.311 to 633.479, 633.992 and 633.994 apply to psilocybin products or to
 35 a licensee.

36 (2) In exercising its authority under ORS chapter 616, the department may not:

37 (a) Establish standards for psilocybin products as a food additive, as defined in ORS 616.205;

38 (b) Consider psilocybin products to be an adulterant, unless the concentration of a psilocybin
 39 product exceeds acceptable levels established by the Oregon [*Health Authority*] **Department of**
 40 **Health** by rule; or

41 (c) Apply ORS 616.256, 616.265, 616.270 or 616.275 to psilocybin products or enforce ORS 616.256,
 42 616.265, 616.270 or 616.275 with respect to psilocybin products.

43 **SECTION 1401.** ORS 475A.582 is amended to read:

44 475A.582. Oregon [*Health Authority*] **Department of Health** hotline for verification of license.
 45 The Oregon [*Health Authority*] **Department of Health** shall maintain a telephone hotline for the

1 following persons to inquire if an address is the location of a premises for which a license has been
 2 issued under ORS 475A.210 to 475A.722 or is the location of a premises for which an application for
 3 licensure has been submitted under ORS 475A.245:

- 4 (1) A person designated by a city or a county;
- 5 (2) A person designated by the Water Resources Department; and
- 6 (3) A person designated by the watermaster of any water district.

7 **SECTION 1402.** ORS 475A.586 is amended to read:

8 475A.586. Certain information related to licensure exempt from disclosure. (1) Subject to sub-
 9 section (2) of this section, information is exempt from public disclosure under ORS 192.311 to 192.478
 10 if the information is:

- 11 (a) Personally identifiable information, as defined in ORS 432.005;
- 12 (b) The address of a premises for which a license has been issued or for which an applicant has
 13 proposed licensure under ORS 475A.290, 475A.305 or 475A.594;
- 14 (c) Related to the security plan or the operational plan for a premises for which a license has
 15 been issued or for which an applicant has proposed licensure under ORS 475A.290, 475A.305 or
 16 475A.594; or
- 17 (d) Related to any record that the Oregon [*Health Authority*] **Department of Health** determines
 18 contains proprietary information of a licensee.

19 (2) The exemption from public disclosure as provided by this section does not apply to:

- 20 (a) The name of an individual listed on an application, if the individual is a direct owner of the
 21 business operating or to be operated under the license; or
- 22 (b) A request for information if the request is made by a law enforcement agency.
- 23 (3) For purposes of subsection (2)(a) of this section, an individual is not a direct owner of the
 24 business operating or to be operated under the license if:

- 25 (a) The direct owner of the business operating or to be operated under the license is a legal
 26 entity; and
- 27 (b) The individual is merely a general partner, limited partner, member, shareholder, or other
 28 direct or indirect owner of the legal entity.

29 **SECTION 1403.** ORS 475A.590 is amended to read:

30 475A.590. Testing standards and processes; rules. (1) As is necessary to protect the public health
 31 and safety, and in consultation with the Oregon Liquor and Cannabis Commission and the State
 32 Department of Agriculture, the Oregon [*Health Authority*] **Department of Health** shall adopt rules:

- 33 (a) Establishing standards for testing psilocybin products.
- 34 (b) Identifying appropriate tests for psilocybin products, depending on the type of psilocybin
 35 product and the manner in which the psilocybin product was manufactured, that are necessary to
 36 protect the public health and safety, which may include, but not be limited to, tests for:
- 37 (A) Microbiological contaminants;
- 38 (B) Pesticides;
- 39 (C) Other contaminants;
- 40 (D) Solvents or residual solvents; and
- 41 (E) Psilocybin concentration.
- 42 (c) Establishing procedures for determining batch sizes and for sampling psilocybin products.
- 43 (d) Establishing different minimum standards for different varieties of psilocybin products.

44 (2) In addition to the testing requirements established under subsection (1) of this section, the
 45 [*authority*] **Oregon Department of Health** may require psilocybin products to be tested in accord-

1 ance with any applicable law of this state, or any applicable rule adopted under a law of this state,
2 related to the production and processing of food products or commodities.

3 (3) In adopting rules under ORS 475A.210 to 475A.722, the [authority] **Oregon Department of**
4 **Health** may require a psilocybin product manufacturer that holds a license under ORS 475A.290 to
5 test psilocybin products before selling or transferring the psilocybin products.

6 (4) The [authority] **Oregon Department of Health** may conduct random testing of psilocybin
7 products for the purpose of determining whether a licensee subject to testing under subsection (3)
8 of this section is in compliance with this section.

9 (5) In adopting rules to implement this section, the [authority] **Oregon Department of Health**
10 may not require a psilocybin product to undergo the same test more than once unless the psilocybin
11 product is processed into a different type of psilocybin product or the condition of the psilocybin
12 product has fundamentally changed.

13 (6) The testing of psilocybin products as required by this section must be conducted by a labo-
14 ratory licensed by the [authority] **Oregon Department of Health** under ORS 475A.594 and accred-
15 ited by the [authority] **department** under ORS 475A.606.

16 (7) In adopting rules under subsection (1) of this section, the [authority] **Oregon Department**
17 **of Health:**

18 (a) Shall consider the cost of a potential testing procedure and how that cost will affect the cost
19 to the ultimate client; and

20 (b) May not adopt rules that are more restrictive than is reasonably necessary to protect the
21 public health and safety.

22 **SECTION 1404.** ORS 475A.594 is amended to read:

23 475A.594. Laboratory licensure; qualifications; fees; rules. (1) A laboratory that conducts testing
24 of psilocybin products as required by ORS 475A.590 must have a license to operate at the premises
25 at which the psilocybin products are tested.

26 (2) For purposes of this section, the Oregon [Health Authority] **Department of Health** shall
27 adopt rules establishing:

28 (a) Qualifications to be licensed under this section, including that an applicant for licensure
29 under this section must be accredited by the [authority] **department** as described in ORS 475A.606;

30 (b) Processes for applying for and renewing a license under this section;

31 (c) Fees for applying for, receiving and renewing a license under this section; and

32 (d) Procedures for:

33 (A) Tracking psilocybin products to be tested;

34 (B) Documenting and reporting test results; and

35 (C) Disposing of samples of psilocybin products that have been tested.

36 (3) A license issued under this section must be renewed annually.

37 (4) The [authority] **department** may inspect premises licensed under this section to ensure
38 compliance with ORS 475A.590 to 475A.622 and rules adopted under ORS 475A.590 to 475A.622.

39 (5) Subject to the applicable provisions of ORS chapter 183, the [authority] **department** may
40 refuse to issue or renew, or may suspend or revoke, a license issued under this section for violation
41 of a provision of ORS 475A.210 to 475A.722 or a rule adopted under a provision of ORS 475A.210 to
42 475A.722.

43 (6) Fees adopted under subsection (2)(c) of this section must be reasonably calculated to pay the
44 expenses incurred by the [authority] **department** under ORS 475A.210 to 475A.722.

45 (7) Fee moneys collected under this section shall be deposited in the Psilocybin Control and

1 Regulation Fund established under ORS 475A.492 and are continuously appropriated to the [*author-*
2 *ity*] **department** for the purpose of carrying out the duties, functions and powers of the [*author-*
3 *ity*] **department** under ORS 475A.210 to 475A.722.

4 **SECTION 1405.** ORS 475A.598 is amended to read:

5 475A.598. Authority to require fingerprints of applicants and other individuals. For the purpose
6 of requesting a state or nationwide criminal records check under ORS 181A.195, the Oregon [*Health*
7 *Authority*] **Department of Health** may require the fingerprints of any individual listed on an ap-
8 plication submitted under ORS 475A.594. The powers conferred on the [*authority*] **department** under
9 this section include the power to require the fingerprints of:

10 (1) If the applicant is a limited partnership, each general partner of the limited partnership;

11 (2) If the applicant is a manager-managed limited liability company, each manager of the limited
12 liability company;

13 (3) If the applicant is a member-managed limited liability company, each voting member of the
14 limited liability company;

15 (4) If the applicant is a corporation, each director and officer of the corporation; and

16 (5) Any individual who holds a financial interest of 10 percent or more in the person applying
17 for the license.

18 **SECTION 1406.** ORS 475A.602 is amended to read:

19 475A.602. Statement of applicant for license under ORS 475A.594. (1) The Oregon [*Health Au-*
20 *thority*] **Department of Health** may require a licensee or applicant for a license under ORS
21 475A.594 to submit, in a form and manner prescribed by the [*authority*] **department**, to the [*au-*
22 *thority*] **department** a sworn statement showing:

23 (a) The name and address of each person that has a financial interest in the business operating
24 or to be operated under the license; and

25 (b) The nature and extent of the financial interest of each person that has a financial interest
26 in the business operating or to be operated under the license.

27 (2) The [*authority*] **department** may refuse to issue, or may suspend, revoke or refuse to renew,
28 a license issued under ORS 475A.594 if the [*authority*] **department** determines that a person that
29 has a financial interest in the business operating or to be operated under the license committed or
30 failed to commit an act that would constitute grounds for the [*authority*] **department** to refuse to
31 issue, or to suspend, revoke or refuse to renew, the license if the person were the licensee or ap-
32 plicant for the license.

33 **SECTION 1407.** ORS 475A.606 is amended to read:

34 475A.606. Laboratory accreditation; qualifications; fees; rules. (1) A laboratory that conducts
35 testing of psilocybin products as required by ORS 475A.590 must be accredited under ORS 438.605
36 to 438.620 and meet other qualifications as established by the Oregon [*Health Authority*] **Depart-**
37 **ment of Health** under this section.

38 (2) In addition to other qualifications required pursuant to ORS 438.605 to 438.620, the
39 [*authority*] **department** shall require an applicant for accreditation under ORS 438.605 to 438.620 for
40 purposes related to the testing of psilocybin products to:

41 (a) Complete an application;

42 (b) Undergo an onsite inspection; and

43 (c) Meet other applicable requirements, specifications and guidelines for testing psilocybin pro-
44 ducts, as determined to be appropriate by the [*authority*] **department** by rule.

45 (3) The [*authority*] **department** may inspect premises licensed under ORS 475A.594 to ensure

1 compliance with ORS 475A.590 to 475A.622 and rules adopted under ORS 475A.590 to 475A.622.

2 (4) Subject to the applicable provisions of ORS chapter 183, the [authority] **department** may
3 refuse to issue or renew, or may suspend or revoke, a laboratory's accreditation granted under this
4 section and ORS 438.605 to 438.620 for violation of a provision of ORS 475A.210 to 475A.722 or a
5 rule adopted under a provision of ORS 475A.210 to 475A.722.

6 (5) In establishing fees under ORS 438.620 for laboratories that test psilocybin products, the
7 [authority] **department** shall establish fees that are reasonably calculated to pay the expenses in-
8 curred by the [authority] **department** under this section and ORS 438.605 to 438.620 in accrediting
9 laboratories that test psilocybin products.

10 **SECTION 1408.** ORS 475A.610 is amended to read:

11 475A.610. Authority of Oregon [Health Authority] Department of Health to discipline licensees
12 of authority. Subject to the applicable provisions of ORS chapter 183, if an applicant or licensee
13 violates a provision of ORS 475A.590 to 475A.622 or a rule adopted under a provision of ORS
14 475A.590 to 475A.622, the Oregon [Health Authority] **Department of Health** may refuse to issue or
15 renew, or may suspend or revoke, a license issued under ORS 475A.290, 475A.305, 475A.325 or
16 475A.594.

17 **SECTION 1409.** ORS 475A.614 is amended to read:

18 475A.614. Authority of Oregon [Health Authority] Department of Health over certain persons,
19 license actions. (1) Notwithstanding the lapse, suspension or revocation of a license issued under
20 ORS 475A.594, the Oregon [Health Authority] **Department of Health** may:

21 (a) Proceed with any investigation of, or any action or disciplinary proceeding against, the per-
22 son who held the license; or

23 (b) Revise or render void an order suspending or revoking the license.

24 (2) In cases involving the proposed denial of a license issued under ORS 475A.210 to 475A.722,
25 the applicant for licensure may not withdraw the applicant's application.

26 **SECTION 1410.** ORS 475A.618 is amended to read:

27 475A.618. Civil penalty for violating ORS 475A.590 to 475A.622. (1) In addition to any other li-
28 ability or penalty provided by law, the Oregon [Health Authority] **Department of Health** may im-
29 pose for each violation of a provision of ORS 475A.590 to 475A.622, or a rule adopted under a
30 provision of ORS 475A.590 to 475A.622, a civil penalty that does not exceed \$500 for each day that
31 the violation occurs.

32 (2) The [authority] **department** shall impose civil penalties under this section in the manner
33 provided by ORS 183.745.

34 (3) Moneys collected under this section shall be deposited in the Oregon [Health Authority]
35 **Department of Health** Fund established under ORS 413.101 and are continuously appropriated to
36 the [authority] **department** for the purpose of carrying out the duties, functions and powers of the
37 [authority] **department** under ORS 475A.210 to 475A.722.

38 **SECTION 1411.** ORS 475A.626 is amended to read:

39 475A.626. Packaging, labeling and dosage of psilocybin products. (1) As is necessary to protect
40 the public health and safety, and in consultation with the State Department of Agriculture and the
41 Oregon Liquor and Cannabis Commission, the Oregon [Health Authority] **Department of Health**
42 shall adopt rules establishing standards for the labeling of psilocybin products, including but not
43 limited to:

44 (a) Ensuring that psilocybin products have labeling that communicates:

45 (A) Health and safety warnings;

- 1 (B) If applicable, activation time;
- 2 (C) Potency;
- 3 (D) If applicable, serving size and the number of servings included in a psilocybin product;
- 4 (E) Content of the psilocybin product; and

5 (b) Labeling that is in accordance with applicable state food labeling requirements for the same
6 type of food product or potable liquid when the food product or potable liquid does not contain
7 psilocybin.

8 (2) In adopting rules under ORS 475A.210 to 475A.722, the [authority] **Oregon Department of**
9 **Health** shall require all psilocybin products sold or transferred by a psilocybin service center that
10 holds a license issued under ORS 475A.305 to be labeled in accordance with subsection (1) of this
11 section and rules adopted under subsection (1) of this section.

12 (3) In adopting rules under subsection (1) of this section, the [authority] **Oregon Department**
13 **of Health:**

14 (a) May establish different labeling standards for different varieties and types of psilocybin
15 products;

16 (b) Shall consider the cost of a potential requirement and how that cost will affect the cost to
17 the ultimate client; and

18 (c) May not adopt rules that are more restrictive than is reasonably necessary to protect the
19 public health and safety.

20 **SECTION 1412.** ORS 475A.630 is amended to read:

21 475A.630. Authority to require preapproval of labels. (1) The Oregon [Health Authority] **De-**
22 **partment of Health** may by rule require a licensee to submit a label intended for use on a
23 psilocybin product for preapproval by the [authority] **department** before the licensee may sell or
24 transfer a psilocybin product bearing the label. The [authority] **department** shall determine whether
25 a label submitted under this section complies with ORS 475A.626 and any rule adopted under ORS
26 475A.626.

27 (2) The [authority] **department** may impose a fee for submitting a label for preapproval under
28 this section that is reasonably calculated to not exceed the cost of administering this section.

29 **SECTION 1413.** ORS 475A.634 is amended to read:

30 475A.634. Packaging requirements; rules. (1) As is necessary to protect the public health and
31 safety, and in consultation with the State Department of Agriculture and the Oregon Liquor and
32 Cannabis Commission, the Oregon [Health Authority] **Department of Health** shall adopt rules es-
33 tablishing standards for the packaging of psilocybin products, including but not limited to ensuring
34 that psilocybin products are not marketed in a manner that:

- 35 (a) Is untruthful or misleading; or
- 36 (b) Otherwise creates a significant risk of harm to public health and safety.

37 (2) In adopting rules under ORS 475A.210 to 475A.722, the [authority] **Oregon Department of**
38 **Health** shall require all psilocybin products sold or transferred by a psilocybin service center that
39 holds a license issued under ORS 475A.305 to be packaged in accordance with subsection (1) of this
40 section and rules adopted under subsection (1) of this section.

41 (3) In adopting rules under subsection (1) of this section, the [authority] **Oregon Department**
42 **of Health:**

43 (a) May establish different packaging standards for different varieties and types of psilocybin
44 products;

45 (b) May consider the effect on the environment of requiring certain packaging;

1 (c) Shall consider the cost of a potential requirement and how that cost will affect the cost to
2 the ultimate client; and

3 (d) May not adopt rules that are more restrictive than is reasonably necessary to protect the
4 public health and safety.

5 **SECTION 1414.** ORS 475A.638 is amended to read:

6 475A.638. Authority to require preapproval of packaging. (1) The Oregon [*Health Authority*]
7 **Department of Health** may by rule require a licensee to submit packaging intended for a psilocybin
8 product for preapproval by the [*authority*] **department** before the licensee may sell or transfer a
9 psilocybin product packaged in the packaging. The [*authority*] **department** shall determine whether
10 packaging submitted under this section complies with ORS 475A.634 and any rule adopted under
11 ORS 475A.634.

12 (2) The [*authority*] **department** may impose a fee for submitting packaging for preapproval under
13 this section that is reasonably calculated to not exceed the cost of administering this section.

14 **SECTION 1415.** ORS 475A.642 is amended to read:

15 475A.642. Dosage requirements; rules. (1) The Oregon [*Health Authority*] **Department of Health**
16 shall adopt rules establishing:

17 (a) The maximum concentration of psilocybin that is permitted in a single serving of a psilocybin
18 product; and

19 (b) The number of servings that are permitted in a psilocybin product package.

20 (2) In adopting rules under ORS 475A.210 to 475A.722, the [*authority*] **department** shall require
21 all psilocybin products sold or transferred by a psilocybin service center that holds a license under
22 ORS 475A.305 to meet the concentration standards and packaging standards adopted by rule pursu-
23 ant to this section.

24 **SECTION 1416.** ORS 475A.646 is amended to read:

25 475A.646. Authority of Oregon [*Health Authority*] **Department of Health** to inspect. To ensure
26 compliance with ORS 475A.626 to 475A.654 and any rule adopted under ORS 475A.626 to 475A.654,
27 the Oregon [*Health Authority*] **Department of Health** may inspect the premises of a person that
28 holds a license under ORS 475A.290 or 475A.305.

29 **SECTION 1417.** ORS 475A.650 is amended to read:

30 475A.650. Authority of Oregon [*Health Authority*] **Department of Health** to discipline licensees
31 of authority. Subject to the applicable provisions of ORS chapter 183, if the applicant or licensee
32 violates a provision of ORS 475A.626 to 475A.654 or a rule adopted under a provision of ORS
33 475A.626 to 475A.654, the Oregon [*Health Authority*] **Department of Health** may refuse to issue or
34 renew, or may suspend or revoke, a license issued under ORS 475A.290, 475A.305 or 475A.325.

35 **SECTION 1418.** ORS 475A.654 is amended to read:

36 475A.654. Civil penalty for violating ORS 475A.626 to 475A.654. (1) In addition to any other li-
37 ability or penalty provided by law, the Oregon [*Health Authority*] **Department of Health** may im-
38 pose for each violation of a provision of ORS 475A.626 to 475A.654, or a rule adopted under a
39 provision of ORS 475A.626 to 475A.654, a civil penalty that does not exceed \$500 for each day that
40 the violation occurs.

41 (2) The [*authority*] **department** shall impose civil penalties under this section in the manner
42 provided by ORS 183.745.

43 (3) Moneys collected under this section shall be deposited in the Psilocybin Control and Regu-
44 lation Fund established under ORS 475A.492 and are continuously appropriated to the [*authority*]
45 **department** for the purpose of carrying out the duties, functions and powers of the [*authority*] de-

1 **partment** under ORS 475A.210 to 475A.722.

2 **SECTION 1419.** ORS 475A.662 is amended to read:

3 475A.662. Imposition of tax on retail sale of psilocybin products. (1) A tax is hereby imposed
4 upon the retail sale of psilocybin products in this state. The tax imposed by this section is a direct
5 tax on the client, for which payment upon retail sale is required. The tax shall be collected at the
6 point of sale of a psilocybin product by a psilocybin service center operator at the time at which
7 the retail sale occurs.

8 (2) The tax imposed under this section shall be imposed at the rate of 15 percent of the retail
9 sales price of psilocybin products.

10 (3) If the tax imposed under this section does not equal an amount calculable to a whole cent,
11 the tax shall be equal to the next higher whole cent.

12 (4) Except as otherwise provided by the Department of Revenue by rule, the amount of the tax
13 shall be separately stated on an invoice, receipt or other similar document that the psilocybin ser-
14 vice center operator provides to the client at the time at which the retail sale occurs.

15 (5) A person may not knowingly sell, purchase, install, transfer or possess electronic devices or
16 software programs for the purposes of:

17 (a) Hiding or removing records of retail sales of psilocybin products; or

18 (b) Falsifying records of retail sales of psilocybin products.

19 (6)(a) A psilocybin service center operator may not discount a psilocybin product or offer a
20 psilocybin product for free if the retail sale of the psilocybin product is made in conjunction with
21 the retail sale of any other item or service.

22 (b) Paragraph (a) of this subsection does not affect any provision of ORS 475A.210 to 475A.722
23 or any rule adopted by the Oregon [*Health Authority*] **Department of Health** pursuant to ORS
24 475A.210 to 475A.722 that is related to the retail sale of psilocybin products.

25 (7) The [*authority*] **Oregon Department of Health** shall regularly review the rate of tax under
26 subsection (2) of this section and make recommendations to the Legislative Assembly regarding ap-
27 propriate adjustments to the rate that will further the purposes of:

28 (a) Providing the [*authority*] **department** with moneys sufficient to administer and enforce ORS
29 475A.210 to 475A.722; and

30 (b) Not providing the [*authority*] **department** with moneys that exceed, together with fees col-
31 lected under ORS 475A.210 to 475A.722, the cost of administering and enforcing ORS 475A.210 to
32 475A.722.

33 **SECTION 1420.** ORS 475A.670 is amended to read:

34 475A.670. Psilocybin revenue estimate. (1) Not later than 30 days before the beginning of each
35 calendar quarter, the Oregon Department of Administrative Services shall forecast and prepare an
36 estimate of the revenue that will be received during the remainder of the current biennium and
37 subsequent three biennia pursuant to the tax imposed under ORS 475A.662. The estimate may be
38 made on the basis of all pertinent information available to the Oregon Department of Administrative
39 Services. Upon making the estimate, the Oregon Department of Administrative Services shall report
40 the estimate to the Legislative Revenue Officer, the Legislative Fiscal Officer and the Department
41 of Revenue.

42 (2) The Department of Revenue and the Oregon [*Health Authority*] **Department of Health** shall
43 provide the Oregon Department of Administrative Services with any information necessary for the
44 Oregon Department of Administrative Services to perform its duties under this section.

45 **SECTION 1421.** ORS 475A.686 is amended to read:

1 475A.686. Disclosure of information. (1) Notwithstanding the confidentiality provisions of ORS
2 475A.706, the Department of Revenue may disclose information received under ORS 317.363 and
3 475A.658 to 475A.714 to the Oregon [*Health Authority*] **Department of Health** to carry out the
4 provisions of ORS 475A.210 to 475A.722.

5 (2) The [*authority*] **Oregon Department of Health** may disclose information obtained pursuant
6 to ORS 475A.210 to 475A.722 to the department for the purpose of carrying out the provisions of
7 ORS 475A.210 to 475A.722.

8 **SECTION 1422.** ORS 475A.702 is amended to read:

9 475A.702. Duties and powers of Department of Revenue; rules; interagency cooperation. (1) The
10 Department of Revenue shall administer and enforce ORS 475A.658 to 475A.714. The department is
11 authorized to establish rules and procedures for the implementation and enforcement of ORS
12 475A.658 to 475A.714 that are consistent with ORS 475A.658 to 475A.714 and that the department
13 considers necessary and appropriate to administer and enforce ORS 475A.658 to 475A.714.

14 (2) The Oregon [*Health Authority*] **Department of Health** shall enter into an agreement with
15 the Department of Revenue for the purpose of administering and enforcing those provisions of ORS
16 475A.658 to 475A.714, and rules or procedures established for the purpose of implementing and en-
17 forcing ORS 475A.658 to 475A.714, that the [*authority and the department*] **Oregon Department of**
18 **Health and the Department of Revenue** determine are necessary for the effective and efficient
19 administration, implementation and enforcement of ORS 475A.658 to 475A.714.

20 **SECTION 1423.** ORS 475A.718 is amended to read:

21 475A.718. Adoption of ordinances; referral to electors for approval. (1) The governing body of a
22 city or county may adopt ordinances to be referred to the electors of the city or county as described
23 in subsection (2) of this section that prohibit or allow the establishment of any one or more of the
24 following in the area subject to the jurisdiction of the city or in the unincorporated area subject to
25 the jurisdiction of the county:

- 26 (a) Psilocybin product manufacturers that hold a license issued under ORS 475A.290;
- 27 (b) Psilocybin service center operators that hold a license issued under ORS 475A.305; or
- 28 (c) Any combination of the entities described in this subsection.

29 (2) If the governing body of a city or county adopts an ordinance under this section, the gov-
30 erning body shall submit the measure of the ordinance to the electors of the city or county for ap-
31 proval at the next statewide general election.

32 (3) If the governing body of a city or county adopts an ordinance under this section, the gov-
33 erning body must provide the text of the ordinance to the Oregon [*Health Authority*] **Department**
34 **of Health**.

35 (4) Upon receiving notice of a prohibition under subsection (3) of this section, the [*authority*]
36 **department** shall discontinue licensing those premises to which the prohibition applies until the
37 date of the next statewide general election.

38 (5) If an allowance is approved at the next statewide general election under subsection (2) of
39 this section, the [*authority*] **department** shall begin licensing the premises to which the allowance
40 applies on the first business day of the January immediately following the date of the next statewide
41 general election.

42 (6) Notwithstanding any other provisions of law, a city or county that adopts an ordinance under
43 this section that prohibits the establishment of an entity described in subsection (1) of this section
44 may not impose a tax or fee on the manufacturing or sale of psilocybin products.

45 **SECTION 1424.** ORS 475C.009 is amended to read:

1 475C.009. As used in ORS 475C.005 to 475C.525:

2 (1) “Adult use cannabinoid” includes, but is not limited to, tetrahydrocannabinols,
 3 tetrahydrocannabinolic acids that are artificially or naturally derived, delta-8-tetrahydrocannabinol,
 4 delta-9- tetrahydrocannabinol, the optical isomers of delta-8-tetrahydrocannabinol or
 5 delta-9-tetrahydrocannabinol and any artificially derived cannabinoid that is reasonably determined
 6 to have an intoxicating effect.

7 (2) “Adult use cannabis item” means:

8 (a) A marijuana item; or

9 (b) An industrial hemp commodity or product that exceeds:

10 (A) The concentration of adult use cannabinoids established by the Oregon Liquor and Cannabis
 11 Commission, in consultation with the Oregon [*Health Authority*] **Department of Health** and the
 12 State Department of Agriculture, by rule; or

13 (B) The greater of:

14 (i) A concentration of more than 0.3 percent total delta-9-tetrahydrocannabinol; or

15 (ii) The concentration of total delta-9-tetrahydrocannabinol allowed under federal law.

16 (3)(a) “Artificially derived cannabinoid” means a chemical substance that is created by a chem-
 17 ical reaction that changes the molecular structure of any chemical substance derived from the plant
 18 Cannabis family Cannabaceae.

19 (b) “Artificially derived cannabinoid” does not include:

20 (A) A naturally occurring chemical substance that is separated from the plant Cannabis family
 21 Cannabaceae by a chemical or mechanical extraction process;

22 (B) Cannabinoids that are produced by decarboxylation from a naturally occurring cannabinoid
 23 acid without the use of a chemical catalyst; or

24 (C) Any other chemical substance identified by the commission, in consultation with the [*au-*
 25 *thority and the department*] **Oregon Department of Health and the State Department of Agri-**
 26 **culture**, by rule.

27 (4) “Cannabinoid” means any of the chemical compounds that are the active constituents derived
 28 from marijuana.

29 (5) “Cannabinoid concentrate” means a substance obtained by separating cannabinoids from
 30 marijuana by:

31 (a) A mechanical extraction process;

32 (b) A chemical extraction process using a nonhydrocarbon-based solvent, such as water, vege-
 33 table glycerin, vegetable oils, animal fats, isopropyl alcohol or ethanol;

34 (c) A chemical extraction process using carbon dioxide, provided that the process does not in-
 35 volve the use of high heat or pressure; or

36 (d) Any other process identified by the commission, in consultation with the [*authority*] **Oregon**
 37 **Department of Health**, by rule.

38 (6) “Cannabinoid edible” means food or potable liquid into which a cannabinoid concentrate,
 39 cannabinoid extract or dried marijuana leaves or flowers have been incorporated.

40 (7) “Cannabinoid extract” means a substance obtained by separating cannabinoids from
 41 marijuana by:

42 (a) A chemical extraction process using a hydrocarbon-based solvent, such as butane, hexane
 43 or propane;

44 (b) A chemical extraction process using carbon dioxide, if the process uses high heat or pres-
 45 sure; or

1 (c) Any other process identified by the commission, in consultation with the [authority] **Oregon**
 2 **Department of Health**, by rule.

3 (8)(a) “Cannabinoid product” means a cannabinoid edible and any other product intended for
 4 human consumption or use, including a product intended to be applied to the skin or hair, that
 5 contains cannabinoids or dried marijuana leaves or flowers.

6 (b) “Cannabinoid product” does not include:

7 (A) Usable marijuana by itself;

8 (B) A cannabinoid concentrate by itself;

9 (C) A cannabinoid extract by itself; or

10 (D) Industrial hemp.

11 (9) “Consumer” means a person who purchases, acquires, owns, holds or uses marijuana items
 12 other than for the purpose of resale.

13 (10) “Deliver” means the actual, constructive or attempted transfer from one person to another
 14 of a marijuana item, whether or not there is an agency relationship.

15 (11) “Delta-9-tetrahydrocannabinol” or “delta-9-THC” means (6aR,10aR)-6,6,9-
 16 trimethyl-3-pentyl-6a,7,8,10a-tetrahydro-6H- benzo[c]chromen-1-ol.

17 (12) “Delta-9-tetrahydrocannabinolic acid” or “delta-9-THCA” means (6aR,10aR)-
 18 1-hydroxy-6,6,9-trimethyl-3-pentyl-6a,7,8,10a- tetrahydro-6H-benzo[c]chromene-2-carboxylic acid.

19 (13) “Designated primary caregiver” has the meaning given that term in ORS 475C.777.

20 (14)(a) “Financial consideration” means value that is given or received either directly or indi-
 21 rectly through sales, barter, trade, fees, charges, dues, contributions or donations.

22 (b) “Financial consideration” does not include marijuana, cannabinoid products or cannabinoid
 23 concentrates that are delivered within the scope of and in compliance with ORS 475C.305.

24 (15) “Homegrown” means grown by a person 21 years of age or older for noncommercial pur-
 25 poses.

26 (16) “Household” means a housing unit and any place in or around a housing unit at which the
 27 occupants of the housing unit are producing, processing, possessing or storing homegrown
 28 marijuana, cannabinoid products, cannabinoid concentrates or cannabinoid extracts.

29 (17) “Housing unit” means a house, an apartment or a mobile home, or a group of rooms or a
 30 single room that is occupied as separate living quarters, in which the occupants live and eat sepa-
 31 rately from any other persons in the building and that has direct access from the outside of the
 32 building or through a common hall.

33 (18) “Immature marijuana plant” means a marijuana plant that is not flowering.

34 (19) “Industrial hemp” has the meaning given that term in ORS 571.269.

35 (20) “Licensee” means a person that holds a license issued under ORS 475C.065, 475C.085,
 36 475C.093 or 475C.097.

37 (21) “Licensee representative” means an owner, director, officer, manager, employee, agent or
 38 other representative of a licensee, to the extent that the person acts in a representative capacity.

39 (22)(a) “Manufacture” means producing, propagating, preparing, compounding, converting or
 40 processing a marijuana item, either directly or indirectly, by extracting from substances of natural
 41 origin.

42 (b) “Manufacture” includes any packaging or repackaging of a marijuana item or the labeling
 43 or relabeling of a container containing a marijuana item.

44 (23)(a) “Marijuana” means the plant Cannabis family Cannabaceae, any part of the plant
 45 Cannabis family Cannabaceae and marijuana seeds.

- 1 (b) “Marijuana” does not include:
- 2 (A) Industrial hemp; or
- 3 (B) Prescription drugs, as that term is defined in ORS 689.005, including those containing one
- 4 or more cannabinoids, that are approved by the United States Food and Drug Administration and
- 5 dispensed by a pharmacy, as defined in ORS 689.005.
- 6 (24) “Marijuana flowers” means the flowers of the plant genus Cannabis within the plant family
- 7 Cannabaceae.
- 8 (25) “Marijuana items” means marijuana, cannabinoid products, cannabinoid concentrates and
- 9 cannabinoid extracts.
- 10 (26) “Marijuana leaves” means the leaves of the plant genus Cannabis within the plant family
- 11 Cannabaceae.
- 12 (27) “Marijuana processor” means:
- 13 (a) A person that processes marijuana items in this state; or
- 14 (b) A person that holds a license issued under ORS 475C.085 and processes industrial hemp
- 15 commodities or products pursuant to ORS 571.336.
- 16 (28) “Marijuana producer” means a person that produces marijuana in this state.
- 17 (29) “Marijuana retailer” means a person that sells marijuana items to a consumer in this state.
- 18 (30)(a) “Marijuana seeds” means the seeds of the plant Cannabis family Cannabaceae.
- 19 (b) “Marijuana seeds” does not include the seeds of industrial hemp.
- 20 (31) “Marijuana wholesaler” means a person that purchases marijuana items in this state for
- 21 resale to a person other than a consumer.
- 22 (32) “Mature marijuana plant” means a marijuana plant that is not an immature marijuana
- 23 plant.
- 24 (33) “Medical grade cannabinoid product, cannabinoid concentrate or cannabinoid extract”
- 25 means a cannabinoid product, cannabinoid concentrate or cannabinoid extract that has a concen-
- 26 tration of adult use cannabinoids that is permitted under ORS 475C.620 in a single serving of the
- 27 cannabinoid product, cannabinoid concentrate or cannabinoid extract for consumers who hold a
- 28 valid registry identification card issued under ORS 475C.783.
- 29 (34) “Medical purpose” means a purpose related to using usable marijuana, cannabinoid pro-
- 30 ducts, cannabinoid concentrates or cannabinoid extracts to mitigate the symptoms or effects of a
- 31 debilitating medical condition, as defined in ORS 475C.777.
- 32 (35) “Noncommercial” means not dependent or conditioned upon the provision or receipt of fi-
- 33 nancial consideration.
- 34 (36)(a) “Premises” includes the following areas of a location licensed under ORS 475C.005 to
- 35 475C.525:
- 36 (A) All public and private enclosed areas at the location that are used in the business operated
- 37 at the location, including offices, kitchens, rest rooms and storerooms;
- 38 (B) All areas outside a building that the commission has specifically licensed for the processing,
- 39 wholesale sale or retail sale of marijuana items; and
- 40 (C) For a location that the commission has specifically licensed for the production of marijuana
- 41 outside a building, that portion of the location used to produce marijuana.
- 42 (b) “Premises” does not include a primary residence.
- 43 (37)(a) “Processes” means the processing, compounding or conversion of:
- 44 (A) Marijuana into cannabinoid products, cannabinoid concentrates or cannabinoid extracts; or
- 45 (B) Pursuant to ORS 571.336, industrial hemp or industrial hemp commodities or products into

1 industrial hemp commodities or products that contain cannabinoids and are intended for human
2 consumption or use.

3 (b) "Processes" does not include packaging or labeling.

4 (38)(a) "Produces" means the manufacture, planting, cultivation, growing or harvesting of
5 marijuana.

6 (b) "Produces" does not include:

7 (A) The drying of marijuana by a marijuana processor, if the marijuana processor is not other-
8 wise producing marijuana; or

9 (B) The cultivation and growing of an immature marijuana plant by a marijuana processor,
10 marijuana wholesaler or marijuana retailer if the marijuana processor, marijuana wholesaler or
11 marijuana retailer purchased or otherwise received the plant from a licensed marijuana producer.

12 (39) "Propagate" means to grow immature marijuana plants or to breed or produce marijuana
13 seeds.

14 (40) "Public place" means a place to which the general public has access and includes, but is
15 not limited to, hallways, lobbies and other parts of apartment houses and hotels not constituting
16 rooms or apartments designed for actual residence, and highways, streets, schools, places of
17 amusement, parks, playgrounds and areas used in connection with public passenger transportation.

18 (41) "Registry identification cardholder" has the meaning given that term in ORS 475C.777.

19 (42) "Total delta-9-tetrahydrocannabinol" or "total delta-9-THC" means the sum of the concen-
20 tration or mass of delta-9-THCA multiplied by 0.877 plus the concentration or mass of delta-9-THC.

21 (43)(a) "Usable marijuana" means the dried leaves and flowers of marijuana.

22 (b) "Usable marijuana" does not include:

23 (A) Marijuana seeds;

24 (B) The stalks and roots of marijuana; or

25 (C) Waste material that is a by-product of producing or processing marijuana.

26 **SECTION 1425.** ORS 475C.069 is amended to read:

27 475C.069. (1) The requirement under ORS 475C.053 to obtain a land use compatibility statement
28 as a condition of receiving a license under ORS 475C.065 does not apply to an applicant if:

29 (a) The applicant is applying for a license at an address where a marijuana grow site registered
30 under ORS 475C.792 is located;

31 (b) The address is outside of city limits;

32 (c) At least one person responsible for a marijuana grow site located at the address first regis-
33 tered with the Oregon [Health Authority] **Department of Health** under ORS 475C.792 before Janu-
34 ary 1, 2015, and is registered with the [authority] **department** under ORS 475C.792 on the date on
35 which the applicant submitted the application for a license under ORS 475C.065;

36 (d) Each person responsible for a marijuana grow site located at the address first registered
37 with the [authority] **department** under ORS 475C.792 before February 1, 2016, and is registered with
38 the [authority] **department** under ORS 475C.792 on the date on which the applicant submitted the
39 application for a license under ORS 475C.065; and

40 (e) The applicant is applying for a mature marijuana plant grow canopy of:

41 (A) 5,000 square feet or less, if the marijuana is produced outdoors; or

42 (B) 1,250 square feet or less, if the marijuana is produced indoors.

43 (2) For purposes of this section, an applicant for a license under ORS 475C.065 is not required
44 to demonstrate that:

45 (a) At least one person responsible for a marijuana grow site located at the address for which

1 the applicant is applying for a license has been continuously registered with the [authority] **de-**
2 **partment** under ORS 475C.792 between January 1, 2015, and the date on which the applicant applies
3 for a license under ORS 475C.065; or

4 (b) Each person responsible for a marijuana grow site located at the address for which the ap-
5 plicant is applying for a license has been continuously registered with the [authority] **department**
6 under ORS 475C.792 between February 1, 2016, and the date on which the applicant applies for a
7 license under ORS 475C.065.

8 **SECTION 1426.** ORS 475C.153 is amended to read:

9 475C.153. Notwithstanding the provisions of ORS 475C.770 to 475C.919, rules adopted by the
10 Oregon [Health Authority] **Department of Health** under ORS 475C.770 to 475C.919 must allow for
11 the provision, transfer and sale of usable marijuana as described in ORS 475C.137.

12 **SECTION 1427.** ORS 475C.169 is amended to read:

13 475C.169. (1) The Oregon Liquor and Cannabis Commission shall adopt by rule procedures by
14 which:

15 (a) A person responsible for a marijuana grow site registered under ORS 475C.792, or, if multiple
16 persons responsible for a marijuana grow site registered under ORS 475C.792 are located at the
17 same address, each person responsible for a marijuana grow site located at the address, may apply
18 for a license under ORS 475C.065 to transition from being registered by the Oregon [Health Au-
19 thority] **Department of Health** to being licensed by the commission;

20 (b) A marijuana processing site registered under ORS 475C.815 may apply for a license under
21 ORS 475C.085 to transition from being registered by the [authority] **department** to being licensed
22 by the commission; and

23 (c) A medical marijuana dispensary registered under ORS 475C.833 may apply for a license un-
24 der ORS 475C.097 to transition from being registered by the [authority] **department** to being li-
25 censed by the commission.

26 (2)(a) In adopting rules under this section, the commission shall adopt, at a minimum, procedures
27 by which the inventory possessed by a person responsible for a marijuana grow site, a marijuana
28 processing site or a medical marijuana dispensary on the date on which the person responsible for
29 a marijuana grow site, the marijuana processing site or the medical marijuana dispensary is first
30 subject to tracking by the commission under ORS 475C.177:

31 (A) May be delivered to a premises for which a license has been issued under ORS 475C.085,
32 475C.093 or 475C.097; or

33 (B) May be sold to consumers by marijuana retailers that hold a license under ORS 475C.097.

34 (b) Procedures adopted under this subsection must require a person responsible for a marijuana
35 grow site registered under ORS 475C.792, or, if multiple persons responsible for a marijuana grow
36 site registered under ORS 475C.792 are located at the same address, each person responsible for a
37 marijuana grow site located at the address, to return to an individual to whom a registry identifi-
38 cation card has been issued under ORS 475C.783, and for whom the person or persons are producing
39 marijuana, all the marijuana and usable marijuana owned by the individual, except as otherwise al-
40 lowed under a personal agreement entered into under ORS 475C.798, at the time that the person or
41 the persons receive a license under ORS 475C.065.

42 **SECTION 1428.** ORS 475C.257 is amended to read:

43 475C.257. (1) As used in this section:

44 (a) "Consumer" means a person who purchases, acquires, owns, holds or uses marijuana items
45 other than for the purpose of resale.

1 (b) “Marijuana item” includes an industrial hemp commodity or product that exceeds:

2 (A) The concentration of adult use cannabinoids established by the Oregon Liquor and Cannabis
3 Commission, in consultation with the Oregon [*Health Authority*] **Department of Health** and the
4 State Department of Agriculture, by rule; or

5 (B) The greater of:

6 (i) A concentration of 0.3 percent total delta-9-tetrahydrocannabinol; or

7 (ii) The concentration of total delta-9-tetrahydrocannabinol allowed under federal law.

8 (2) A person other than a marijuana retailer that holds a license issued under ORS 475C.097
9 may not sell marijuana items to a consumer.

10 **SECTION 1429.** ORS 475C.289 is amended to read:

11 475C.289. (1) The Oregon Liquor and Cannabis Commission, in consultation with the Oregon
12 [*Health Authority*] **Department of Health** and the State Department of Agriculture, shall establish
13 a program for the purpose of identifying and certifying private and public researchers of cannabis.

14 (2)(a) The [*authority*] **Oregon Department of Health** shall assist the commission in identifying
15 candidates for certification under this section with respect to potential medical research.

16 (b) The [*department*] **State Department of Agriculture** shall assist the commission in identify-
17 ing candidates for certification under this section with respect to potential agricultural research.

18 (3) Subject to subsection (4) of this section, the commission shall adopt by rule or order:

19 (a) Qualifications for certification under this section;

20 (b) The term of a certificate issued under this section;

21 (c) Processes for applying for, receiving and renewing a certificate under this section;

22 (d) Procedures for tracking marijuana, usable marijuana, cannabinoid products, cannabinoid
23 concentrates and cannabinoid extracts received by and disposed or otherwise made use of by a
24 person that holds a certificate issued under this section; and

25 (e) Procedures for disposing or otherwise making use of marijuana, usable marijuana,
26 cannabinoid products, cannabinoid concentrates and cannabinoid extracts.

27 (4) In establishing qualifications under subsection (3) of this section, the commission shall con-
28 sider the following:

29 (a) A research applicant’s access to funding and the overall cost of the proposed research;

30 (b) The overall benefit of an applicant’s proposed research to this state’s cannabis industry or
31 to public health and safety; and

32 (c) Legal barriers to conducting the proposed research or legal risks associated with conducting
33 the proposed research.

34 (5) In adopting procedures under subsection (3)(d) and (e) of this section with respect to making
35 use of marijuana, usable marijuana, cannabinoid products, cannabinoid concentrates and
36 cannabinoid extracts, the commission shall also adopt procedures by which a person that holds a
37 certificate issued under this section may transfer limited amounts of marijuana, usable marijuana,
38 cannabinoid products, cannabinoid concentrates and cannabinoid extracts to another person that
39 holds a certificate issued under this section or to a premises for which a license has been issued
40 under ORS 475C.065, 475C.085, 475C.093 or 475C.097.

41 (6) In adopting procedures under subsection (3)(d) and (e) of this section with respect to making
42 use of marijuana, usable marijuana, cannabinoid products, cannabinoid concentrates and
43 cannabinoid extracts, the commission shall also adopt procedures by which a person that holds a
44 certificate issued under this section may give, devise or bequest usable marijuana, immature
45 marijuana plants, marijuana seeds, cannabinoid products, cannabinoid concentrates and cannabinoid

1 extracts to a medical marijuana dispensary registered with the [authority] **Oregon Department of**
2 **Health** under ORS 475C.833 and owned by a nonprofit corporation organized under ORS chapter 65
3 for purposes described in ORS 475C.850.

4 (7) A person that holds a certificate issued under this section:

5 (a) May receive marijuana, usable marijuana, cannabinoid products, cannabinoid concentrates
6 and cannabinoid extracts from a licensee or a registrant under ORS 475C.770 to 475C.919; and

7 (b) May not sell or otherwise transfer marijuana, usable marijuana, cannabinoid products,
8 cannabinoid concentrates or cannabinoid extracts to any other person, except as provided in this
9 section and rules adopted by the commission under this section.

10 (8) Except as otherwise provided by the commission by rule, rules adopted under ORS 475C.005
11 to 475C.525 with respect to licensees and licensee representatives apply to persons that hold a cer-
12 tificate issued under this section and persons employed by or who otherwise perform work for per-
13 sons that hold a certificate issued under this section.

14 (9) A person that holds a certificate issued under this section, and an employee of or other
15 person who performs work for a person that holds a certificate issued under this section, is exempt
16 from the criminal laws of this state for possession, delivery or manufacture of marijuana, aiding and
17 abetting another in the possession, delivery and manufacture of marijuana, or any other criminal
18 offense in which possession, delivery or manufacture of marijuana is an element, while performing
19 activities related to conducting research as described in this section.

20 **SECTION 1430.** ORS 475C.305 is amended to read:

21 475C.305. ORS 475C.017, 475C.021, 475C.025, 475C.029, 475C.033, 475C.037, 475C.041, 475C.045,
22 475C.049, 475C.053, 475C.057, 475C.061, 475C.065, 475C.077, 475C.085, 475C.093, 475C.097, 475C.105,
23 475C.109, 475C.113, 475C.117, 475C.137, 475C.141, 475C.145, 475C.149, 475C.157, 475C.161, 475C.165,
24 475C.173, 475C.177, 475C.205, 475C.213, 475C.217, 475C.225, 475C.233, 475C.237, 475C.241, 475C.245,
25 475C.265, 475C.269, 475C.273, 475C.281, 475C.285, 475C.289, 475C.297, 475C.433, 475C.437, 475C.445,
26 475C.449, 475C.453, 475C.461, 475C.465, 475C.473, 475C.477, 475C.481, 475C.485, 475C.489 and
27 475C.493 do not apply:

28 (1) To the production or storage of homegrown plants in the genus Cannabis within the plant
29 family Cannabaceae that are otherwise subject to ORS 475C.005 to 475C.525 at a household by one
30 or more persons 21 years of age and older, if the total amount of homegrown plants at the household
31 does not exceed four plants at any time.

32 (2) To the possession or storage of usable marijuana items at a household by one or more per-
33 sons 21 years of age or older, if the total amount of usable marijuana at the household does not
34 exceed eight ounces of usable marijuana at any time.

35 (3) To the making, processing, possession or storage of cannabinoid products at a household by
36 one or more persons 21 years of age and older, if the total amount of cannabinoid products at the
37 household does not exceed 16 ounces in solid form at any time.

38 (4) To the making, processing, possession or storage of cannabinoid products at a household by
39 one or more persons 21 years of age and older, if the total amount of cannabinoid products at the
40 household does not exceed 72 ounces in liquid form at any time.

41 (5) To the making, processing, possession or storage of cannabinoid concentrates at a household
42 by one or more persons 21 years of age or older, if the total amount of cannabinoid concentrates
43 at the household does not exceed 16 ounces at any time.

44 (6) To the possession of cannabinoid extracts at a household by one or more persons 21 years
45 of age or older, if the cannabinoid extracts were purchased from a marijuana retailer that holds a

1 license under ORS 475C.097, or transferred by a medical marijuana dispensary registered by the
 2 Oregon [Health Authority] **Department of Health** under ORS 475C.833, and the total amount of
 3 cannabinoid extracts at the household does not exceed one ounce at any time.

4 (7) To the delivery of not more than one ounce of usable marijuana at a time by a person 21
 5 years of age or older to another person 21 years of age or older for noncommercial purposes.

6 (8) To the delivery of not more than 16 ounces of cannabinoid products in solid form at a time
 7 by a person 21 years of age or older to another person 21 years of age or older for noncommercial
 8 purposes.

9 (9) To the delivery of not more than 72 ounces of cannabinoid products in liquid form at a time
 10 by a person 21 years of age or older to another person 21 years of age or older for noncommercial
 11 purposes.

12 (10) To the delivery of not more than 16 ounces of cannabinoid concentrates at a time by a
 13 person 21 years of age or older to another person 21 years of age or older for noncommercial pur-
 14 poses.

15 **SECTION 1431.** ORS 475C.325 is amended to read:

16 475C.325. When a person is ordered to undergo assessment and treatment as provided in ORS
 17 475C.317, the court shall require the person to do all of the following:

18 (1) Pay to the court the fee described under ORS 813.030 in addition to any fine imposed under
 19 ORS 475C.850.

20 (2) Complete an examination by an agency or organization designated by the court to determine
 21 whether the person has a problem condition involving marijuana as described in ORS 813.040. The
 22 designated agencies or organizations must meet minimum standards established under ORS 430.357
 23 to perform the diagnostic assessment and treatment of problem marijuana use and must be certified
 24 by the Director of the Oregon [Health Authority] **Department of Health**.

25 (3) Complete a treatment program, paid at the expense of the person convicted, as follows:

26 (a) If the examination required under this section shows that the person has a problem condition
 27 involving marijuana, a program for rehabilitation for problem marijuana use approved by the direc-
 28 tor.

29 (b) If the examination required by this section shows that the person does not have a problem
 30 condition involving marijuana, a marijuana information program approved by the director.

31 **SECTION 1432.** ORS 475C.449 is amended to read:

32 475C.449. (1) For purposes of this section, “reasonable regulations” includes:

33 (a) Reasonable conditions on the manner in which a marijuana producer that holds a license
 34 issued under ORS 475C.065 may produce marijuana or in which a researcher of cannabis that holds
 35 a certificate issued under ORS 475C.289 may produce marijuana or propagate immature marijuana
 36 plants;

37 (b) Reasonable conditions on the manner in which a marijuana processor that holds a license
 38 issued under ORS 475C.085 may process marijuana or in which a researcher of cannabis that holds
 39 a certificate issued under ORS 475C.289 may process marijuana;

40 (c) Reasonable conditions on the manner in which a marijuana wholesaler that holds a license
 41 issued under ORS 475C.093 may sell marijuana at wholesale;

42 (d) Reasonable conditions on the manner in which a marijuana retailer that holds a license is-
 43 sued under ORS 475C.097 may sell marijuana items;

44 (e) Reasonable limitations on the hours during which a premises for which a license has been
 45 issued under ORS 475C.005 to 475C.525 may operate;

1 (f) Reasonable requirements related to the public's access to a premises for which a license or
 2 certificate has been issued under ORS 475C.005 to 475C.525; and

3 (g) Reasonable limitations on where a premises for which a license or certificate may be issued
 4 under ORS 475C.005 to 475C.525 may be located.

5 (2) Notwithstanding ORS 30.935, 215.253 (1) or 633.738, the governing body of a city or county
 6 may adopt ordinances that impose reasonable regulations on the operation of businesses located at
 7 premises for which a license or certificate has been issued under ORS 475C.005 to 475C.525 if the
 8 premises are located in the area subject to the jurisdiction of the city or county, except that the
 9 governing body of a city or county may not:

10 (a) Adopt an ordinance that prohibits a premises for which a license has been issued under ORS
 11 475C.097 from being located within a distance that is greater than 1,000 feet of another premises for
 12 which a license has been issued under ORS 475C.097.

13 (b) Adopt an ordinance that imposes a setback requirement for an agricultural building used to
 14 produce marijuana located on a premises for which a license has been issued under ORS 475C.065
 15 if the agricultural building:

16 (A) Was constructed on or before July 1, 2015, in compliance with all applicable land use and
 17 building code requirements at the time of construction;

18 (B) Is located at an address where a marijuana grow site first registered with the Oregon
 19 *[Health Authority]* **Department of Health** under ORS 475C.792 on or before January 1, 2015;

20 (C) Was used to produce marijuana pursuant to the provisions of ORS 475C.770 to 475C.919 on
 21 or before January 1, 2015; and

22 (D) Has four opaque walls and a roof.

23 **SECTION 1433.** ORS 475C.457 is amended to read:

24 475C.457. (1) The governing body of a city or county may repeal an ordinance that prohibits the
 25 establishment of any one or more of the following in the area subject to the jurisdiction of the city
 26 or in the unincorporated area subject to the jurisdiction of the county:

27 (a) Marijuana processing sites registered under ORS 475C.815;

28 (b) Medical marijuana dispensaries registered under ORS 475C.833;

29 (c) Marijuana producers that hold a license issued under ORS 475C.065;

30 (d) Marijuana processors that hold a license issued under ORS 475C.085;

31 (e) Marijuana wholesalers that hold a license issued under ORS 475C.093;

32 (f) Marijuana retailers that hold a license issued under ORS 475C.097;

33 (g) Marijuana producers that hold a license issued under ORS 475C.065 and that the Oregon
 34 Liquor and Cannabis Commission has designated as an exclusively medical licensee under ORS
 35 475C.121;

36 (h) Marijuana processors that hold a license issued under ORS 475C.085 and that the commission
 37 has designated as an exclusively medical licensee under ORS 475C.125;

38 (i) Marijuana wholesalers that hold a license issued under ORS 475C.093 and that the commis-
 39 sion has designated as an exclusively medical licensee under ORS 475C.129;

40 (j) Marijuana retailers that hold a license issued under ORS 475C.097 and that the commission
 41 has designated as an exclusively medical licensee under ORS 475C.133; or

42 (k) Any combination of the entities described in this subsection.

43 (2) If the governing body of a city or county repeals an ordinance under this section, the gov-
 44 erning body must provide the text of the ordinance:

45 (a) To the Oregon *[Health Authority]* **Department of Health**, in a form and manner prescribed

1 by the *[authority]* **department**, if the ordinance concerns a medical marijuana dispensary registered
 2 under ORS 475C.833 or a marijuana processing site registered under ORS 475C.815; or

3 (b)(A) To the commission, in a form and manner prescribed by the commission, if the ordinance
 4 concerns a premises for which a license has been issued under ORS 475C.005 to 475C.525; and

5 (B) To the Oregon Department of Administrative Services, in a form and manner prescribed by
 6 the department, within 30 days of enactment of the repeal of the ordinance, if the ordinance con-
 7 cerns a premises for which issuance of a license is required under ORS 475C.065, 475C.085, 475C.093
 8 or 475C.097.

9 **SECTION 1434.** ORS 475C.461 is amended to read:

10 475C.461. The Oregon *[Health Authority]* **Department of Health** shall assist and cooperate with
 11 the Oregon Liquor and Cannabis Commission and the State Department of Agriculture to the extent
 12 necessary for the commission and the *[department]* **State Department of Agriculture** to carry out
 13 the duties of the commission and the *[department]* **State Department of Agriculture** under ORS
 14 475C.005 to 475C.525.

15 **SECTION 1435.** ORS 475C.465 is amended to read:

16 475C.465. The State Department of Agriculture shall assist and cooperate with the Oregon Li-
 17 quor and Cannabis Commission and the Oregon *[Health Authority]* **Department of Health** to the
 18 extent necessary for the commission and the *[authority]* **Oregon Department of Health** to carry
 19 out the duties of the commission and the *[authority]* **Oregon Department of Health** under ORS
 20 475C.005 to 475C.525.

21 **SECTION 1436.** ORS 475C.473 is amended to read:

22 475C.473. (1) The Oregon Liquor and Cannabis Commission, the State Department of Agriculture
 23 and the Oregon *[Health Authority]* **Department of Health** may not refuse to perform any duty under
 24 ORS 475C.005 to 475C.525 on the basis that manufacturing, distributing, dispensing, possessing or
 25 using marijuana is prohibited by federal law.

26 (2) The commission may not revoke or refuse to issue or renew a license, certificate or permit
 27 under ORS 475C.005 to 475C.525 on the basis that manufacturing, distributing, dispensing, possessing
 28 or using marijuana is prohibited by federal law.

29 **SECTION 1437.** ORS 475C.477 is amended to read:

30 475C.477. A person may not sue the Oregon Liquor and Cannabis Commission or a member of
 31 the commission, the State Department of Agriculture or the Oregon *[Health Authority]* **Department**
 32 **of Health**, or any employee of the commission, *[department or authority,]* **or either department**, for
 33 performing or omitting to perform any duty, function or power of the commission, *[department or*
 34 *authority]* **or either department** set forth in ORS 475C.005 to 475C.525 or in any other law of this
 35 state requiring the commission, *[department or authority]* **or either department** to perform a duty,
 36 function or power related to marijuana items.

37 **SECTION 1438.** ORS 475C.493 is amended to read:

38 475C.493. (1) Notwithstanding the authority granted to the State Department of Agriculture un-
 39 der ORS chapters 571, 618 and 633 and ORS 632.275 to 632.290, 632.450 to 632.490, 632.516 to 632.625,
 40 632.705 to 632.815, 632.835 to 632.850 and 632.900 to 632.985, the department may not exercise au-
 41 thority over marijuana items or a licensee, except that ORS 618.121 to 618.161, 618.991, 618.995,
 42 633.311 to 633.479, 633.992 and 633.994 apply to marijuana items or to a licensee.

43 (2) In exercising its authority under ORS chapter 616, the department may not:

44 (a) Establish standards for marijuana as a food additive, as defined in ORS 616.205;

45 (b) Consider marijuana to be an adulterant, unless the concentration of a cannabinoid in a

1 cannabinoid product, cannabinoid concentrate or cannabinoid extract exceeds acceptable levels es-
 2 tablished by the Oregon [*Health Authority*] **Department of Health** by rule; or

3 (c) Apply ORS 616.256, 616.265, 616.270 or 616.275 to cannabinoid edibles or enforce ORS 616.256,
 4 616.265, 616.270 or 616.275 with respect to cannabinoid edibles.

5 (3) Subsection (2)(b) of this section does not prohibit the [*department*] **State Department of**
 6 **Agriculture** from considering artificially derived cannabinoids to be adulterants.

7 **SECTION 1439.** ORS 475C.497 is amended to read:

8 475C.497. Except for ORS 475C.489 and 475C.493, ORS 475C.005 to 475C.525:

9 (1) Do not apply to the extent a person acts within the scope of and in compliance with the
 10 Oregon Medical Marijuana Act; and

11 (2) Do not amend or affect duties, functions and powers of the Oregon [*Health Authority*] **De-**
 12 **partment of Health** under the Oregon Medical Marijuana Act.

13 **SECTION 1440.** ORS 475C.544 is amended to read:

14 475C.544. (1) As is necessary to protect the public health and safety, and in consultation with
 15 the Oregon Liquor and Cannabis Commission and the State Department of Agriculture, the Oregon
 16 [*Health Authority*] **Department of Health** shall adopt rules:

17 (a) Establishing standards for testing marijuana items and industrial hemp-derived vapor items.

18 (b) Identifying appropriate tests for marijuana items and industrial hemp-derived vapor items,
 19 depending on the type of marijuana item or industrial hemp-derived vapor item and the manner in
 20 which the marijuana item or industrial hemp-derived vapor item was produced or processed, that
 21 are necessary to protect the public health and safety, including, but not limited to, tests for:

22 (A) Microbiological contaminants;

23 (B) Pesticides;

24 (C) Other contaminants;

25 (D) Solvents or residual solvents; and

26 (E) Adult use cannabinoid and cannabidiol concentration.

27 (c) Establishing procedures for determining batch sizes and for sampling usable marijuana,
 28 cannabinoid products, cannabinoid concentrates or extracts and industrial hemp-derived vapor items.

29 (d) Establishing different minimum standards for different varieties of usable marijuana and dif-
 30 ferent types of cannabinoid products and cannabinoid concentrates and extracts and, as appropriate,
 31 industrial hemp-derived vapor items.

32 (2) In addition to the testing requirements established under subsection (1) of this section, the
 33 [*authority*] **Oregon Department of Health** or the commission may require cannabinoid edibles to
 34 be tested in accordance with any applicable law of this state, or any applicable rule adopted under
 35 a law of this state, related to the production and processing of food products or commodities.

36 (3) In adopting rules under ORS 475C.770 to 475C.919, the [*authority*] **Oregon Department of**
 37 **Health** may require:

38 (a) A person responsible for a marijuana grow site under ORS 475C.792 to test usable marijuana
 39 before transferring the usable marijuana to a registrant other than an individual who holds a reg-
 40 istry identification card under ORS 475C.783; and

41 (b) A person processing marijuana to test cannabinoid products or cannabinoid concentrates or
 42 extracts before transferring the cannabinoid products or cannabinoid concentrates or extracts to a
 43 registrant other than an individual who holds a registry identification card under ORS 475C.783.

44 (4) In adopting rules under ORS 475C.005 to 475C.525, the commission may require:

45 (a) A marijuana producer that holds a license under ORS 475C.065 or a marijuana wholesaler

1 that holds a license under ORS 475C.093 to test usable marijuana before selling or transferring the
2 usable marijuana; and

3 (b) A marijuana processor that holds a license under ORS 475C.085 or a marijuana wholesaler
4 that holds a license under ORS 475C.093 to test cannabinoid products or cannabinoid concentrates
5 or extracts before selling or transferring the cannabinoid products or cannabinoid concentrates or
6 extracts.

7 (5) The [authority] **Oregon Department of Health** and the commission may conduct random
8 testing of marijuana items or industrial hemp-derived vapor items for the purpose of determining
9 whether a person subject to testing under subsection (3) of this section or a licensee subject to
10 testing under subsection (4) of this section is in compliance with this section.

11 (6) In adopting rules to implement this section, the [authority] **Oregon Department of Health**
12 and commission may not require a marijuana item or industrial hemp-derived vapor item to undergo
13 the same test more than once unless the marijuana item or industrial hemp-derived vapor item is
14 processed into a different type of marijuana item or industrial hemp-derived vapor item or the con-
15 dition of the marijuana item or industrial hemp-derived vapor item has fundamentally changed.

16 (7) The testing of marijuana items and industrial hemp-derived vapor items as required by this
17 section must be conducted by a laboratory licensed by the commission under ORS 475C.548 and ac-
18 credited by the [authority] **Oregon Department of Health** under ORS 475C.560.

19 (8) In adopting rules under subsection (1) of this section, the [authority] **Oregon Department**
20 **of Health:**

21 (a) Shall consider the cost of a potential testing procedure and how that cost will affect the cost
22 to the ultimate consumer of the marijuana item or industrial hemp-derived vapor item; and

23 (b) May not adopt rules that are more restrictive than is reasonably necessary to protect the
24 public health and safety.

25 **SECTION 1441.** ORS 475C.548 is amended to read:

26 475C.548. (1) A laboratory that conducts testing of marijuana items or industrial hemp-derived
27 vapor items as required by ORS 475C.544 must have a license to operate at the premises at which
28 the marijuana items or industrial hemp-derived vapor items are tested.

29 (2) For purposes of this section, the Oregon Liquor and Cannabis Commission shall adopt rules
30 establishing:

31 (a) Qualifications to be licensed under this section, including that an applicant for licensure
32 under this section must be accredited by the Oregon [Health Authority] **Department of Health** as
33 described in ORS 475C.560;

34 (b) Processes for applying for and renewing a license under this section;

35 (c) Fees for applying for, receiving and renewing a license under this section; and

36 (d) Procedures for:

37 (A) Tracking usable marijuana, cannabinoid products, cannabinoid concentrates or extracts or
38 industrial hemp-derived vapor items to be tested;

39 (B) Documenting and reporting test results; and

40 (C) Disposing of samples of usable marijuana, cannabinoid products, cannabinoid concentrates
41 or extracts or industrial hemp-derived vapor items that have been tested.

42 (3) A license issued under this section must be renewed annually.

43 (4) The commission may inspect premises licensed under this section to ensure compliance with
44 ORS 475C.540 to 475C.586 and rules adopted under ORS 475C.540 to 475C.586.

45 (5) Subject to the applicable provisions of ORS chapter 183, the commission may refuse to issue

1 or renew, or may suspend or revoke, a license issued under this section for violation of:

2 (a) A provision of ORS 475C.540 to 475C.586 or a rule adopted under a provision of ORS
3 475C.540 to 475C.586; or

4 (b) A provision of ORS 475C.005 to 475C.525 or a rule adopted under a provision of ORS
5 475C.005 to 475C.525.

6 (6) Fees adopted under subsection (2)(c) of this section must be reasonably calculated to pay the
7 expenses incurred by the commission under ORS 475C.540 to 475C.586.

8 (7) Fee moneys collected under this section shall be deposited in the Marijuana Control and
9 Regulation Fund established under ORS 475C.297 and are continuously appropriated to the commis-
10 sion for the purpose of carrying out the duties, functions and powers of the commission under ORS
11 475C.540 to 475C.586.

12 **SECTION 1442.** ORS 475C.560 is amended to read:

13 475C.560. (1) A laboratory that conducts testing of marijuana items or industrial hemp-derived
14 vapor items as required by ORS 475C.544 must be accredited under ORS 438.605 to 438.620 and meet
15 other qualifications as established by the Oregon [*Health Authority*] **Department of Health** under
16 this section.

17 (2) In addition to other qualifications required pursuant to ORS 438.605 to 438.620, the
18 [*authority*] **department** shall require an applicant for accreditation under ORS 438.605 to 438.620 for
19 purposes related to the testing of marijuana items or industrial hemp-derived vapor items to:

20 (a) Complete an application;

21 (b) Undergo an onsite inspection; and

22 (c) Meet other applicable requirements, specifications and guidelines for testing marijuana items
23 or industrial hemp-derived vapor items, as determined to be appropriate by the [*authority*] **depart-**
24 **ment** by rule.

25 (3) The [*authority*] **department** may inspect premises licensed under ORS 475C.548 to ensure
26 compliance with ORS 475C.540 to 475C.586 and rules adopted under ORS 475C.540 to 475C.586.

27 (4) Subject to the applicable provisions of ORS chapter 183, the [*authority*] **department** may
28 refuse to issue or renew, or may suspend or revoke, a laboratory's accreditation granted under this
29 section and ORS 438.605 to 438.620 for violation of:

30 (a) A provision of ORS 475C.540 to 475C.586 or a rule adopted under a provision of ORS
31 475C.540 to 475C.586; or

32 (b) A provision of ORS 475C.005 to 475C.525 or a rule adopted under a provision of ORS
33 475C.005 to 475C.525.

34 (5) In establishing fees under ORS 438.620 for laboratories that test marijuana items or indus-
35 trial hemp-derived vapor items, the [*authority*] **department** shall establish fees that are reasonably
36 calculated to pay the expenses incurred by the [*authority*] **department** under this section and ORS
37 438.605 to 438.620 in accrediting laboratories that test marijuana items or industrial hemp-derived
38 vapor items.

39 **SECTION 1443.** ORS 475C.574 is amended to read:

40 475C.574. Subject to the applicable provisions of ORS chapter 183, if a person violates a pro-
41 vision of ORS 475C.540 to 475C.586 or a rule adopted under a provision of ORS 475C.540 to 475C.586,
42 the Oregon [*Health Authority*] **Department of Health** may:

43 (1) Refuse to register the person under ORS 475C.770 to 475C.919;

44 (2) Suspend activities conducted by a registrant pursuant to ORS 475C.770 to 475C.919; or

45 (3) Remove a registrant from a registry kept pursuant to ORS 475C.770 to 475C.919.

1 **SECTION 1444.** ORS 475C.578 is amended to read:

2 475C.578. (1) In addition to any other liability or penalty provided by law, the Oregon [*Health*
3 *Authority*] **Department of Health** may impose for each violation of a provision of ORS 475C.540 to
4 475C.586, or a rule adopted under a provision of ORS 475C.540 to 475C.586, a civil penalty that does
5 not exceed \$500 for each day that the violation occurs.

6 (2) The [*authority*] **department** shall impose civil penalties under this section in the manner
7 provided by ORS 183.745.

8 (3) Moneys collected under this section shall be deposited in the Oregon [*Health Authority*]
9 **Department of Health** Fund established under ORS 413.101 and are continuously appropriated to
10 the [*authority*] **department** for the purpose of carrying out the duties, functions and powers of the
11 [*authority*] **department** under ORS 475C.540 to 475C.586.

12 **SECTION 1445.** ORS 475C.590 is amended to read:

13 475C.590. (1) The Oregon Liquor and Cannabis Commission shall establish an advisory commit-
14 tee to advise the commission, the Oregon [*Health Authority*] **Department of Health** and the State
15 Department of Agriculture on establishing and maintaining standards for testing the potency of
16 marijuana and marijuana items, as those terms are defined in ORS 475C.009. The members of the
17 committee must include members who are:

18 (a) Representatives of the commission, the [*authority and the department*] **Oregon Department**
19 **of Health and the State Department of Agriculture;**

20 (b) Stakeholders in the marijuana industry; and

21 (c) Individuals who have expertise in the potency testing of marijuana and marijuana items.

22 (2) The commission may adopt rules to carry out this section.

23 **SECTION 1446.** ORS 475C.604 is amended to read:

24 475C.604. (1) As is necessary to protect the public health and safety, and in consultation with
25 the Oregon [*Health Authority*] **Department of Health** and the State Department of Agriculture, the
26 Oregon Liquor and Cannabis Commission shall adopt rules establishing standards for the labeling
27 of marijuana items and inhalant delivery systems that contain industrial hemp-derived vapor items,
28 including but not limited to:

29 (a) Ensuring that usable marijuana, cannabinoid concentrates and extracts, cannabinoid edibles,
30 other cannabinoid products and inhalant delivery systems that contain industrial hemp-derived vapor
31 items have labeling that communicates:

32 (A) Health and safety warnings;

33 (B) If applicable, activation time;

34 (C) Potency;

35 (D) For cannabinoid products and cannabinoid concentrates and extracts, serving size and the
36 number of servings included in a cannabinoid product or cannabinoid concentrate or extract pack-
37 age; and

38 (E) Content of the marijuana item or inhalant delivery system that contains an industrial
39 hemp-derived vapor item; and

40 (b) Labeling that is in accordance with applicable state food labeling requirements for the same
41 type of food product or potable liquid when the food product or potable liquid does not contain
42 marijuana or cannabinoids.

43 (2) In adopting rules under ORS 475C.770 to 475C.919, the [*authority*] **Oregon Department of**
44 **Health** shall require all usable marijuana, cannabinoid products and cannabinoid concentrates and
45 extracts transferred by a medical marijuana dispensary registered under ORS 475C.833 to be labeled

1 in accordance with subsection (1) of this section and rules adopted under subsection (1) of this sec-
2 tion.

3 (3) In adopting rules under ORS 475C.005 to 475C.525, the commission shall require all usable
4 marijuana, cannabinoid products and cannabinoid concentrates and extracts sold or transferred by
5 a marijuana retailer that holds a license issued under ORS 475C.097 to be labeled in accordance
6 with subsection (1) of this section and rules adopted under subsection (1) of this section.

7 (4) In adopting rules under subsection (1) of this section, the commission:

8 (a) May establish different labeling standards for different varieties of usable marijuana, for
9 different types of cannabinoid products and cannabinoid concentrates and extracts and for inhalant
10 delivery systems that contain industrial hemp-derived vapor items;

11 (b) May establish different minimum labeling standards for persons registered under ORS
12 475C.770 to 475C.919 and persons licensed under ORS 475C.005 to 475C.525;

13 (c) Shall consider the cost of a potential requirement and how that cost will affect the cost to
14 the ultimate consumer of the marijuana item or inhalant delivery system that contains an industrial
15 hemp-derived vapor item; and

16 (d) May not adopt rules that are more restrictive than is reasonably necessary to protect the
17 public health and safety.

18 **SECTION 1447.** ORS 475C.608, as amended by section 8, chapter 108, Oregon Laws 2022, and
19 section 5, chapter 117, Oregon Laws 2022, is amended to read:

20 475C.608. (1) As used in this section:

21 (a) "Licensee" has the meaning given that term in ORS 475C.009.

22 (b) "Registrant" means a person registered under ORS 475C.770 to 475C.919.

23 (2) The Oregon Liquor and Cannabis Commission may by rule require a licensee or person re-
24 sponsible for the labeling of an inhalant delivery system that contains an industrial hemp-derived
25 vapor item, and the Oregon [*Health Authority*] **Department of Health** may by rule require a regis-
26 trant, to submit a label intended for use on a marijuana item or an inhalant delivery system that
27 contains an industrial hemp-derived vapor item for preapproval by the commission before the
28 licensee, person or registrant may sell or transfer a marijuana item or an inhalant delivery system
29 that contains an industrial hemp-derived vapor item bearing the label. The commission shall deter-
30 mine whether a label submitted under this section complies with ORS 475C.604 and any rule adopted
31 under ORS 475C.604.

32 (3) The commission may impose a fee for submitting a label for preapproval under this section
33 that is reasonably calculated to not exceed the cost of administering this section.

34 **SECTION 1448.** ORS 475C.612 is amended to read:

35 475C.612. (1) As is necessary to protect the public health and safety, and in consultation with
36 the Oregon [*Health Authority*] **Department of Health** and the State Department of Agriculture, the
37 Oregon Liquor and Cannabis Commission shall adopt rules establishing standards for the packaging
38 of marijuana items, including but not limited to:

39 (a) Ensuring that cannabinoid concentrates and extracts, cannabinoid edibles and other
40 cannabinoid products are:

41 (A) Packaged in child-resistant safety packaging; and

42 (B) Not marketed in a manner that:

43 (i) Is untruthful or misleading;

44 (ii) Is attractive to minors; or

45 (iii) Otherwise creates a significant risk of harm to public health and safety;

1 (b) Ensuring that usable marijuana, including usable marijuana that is pre-rolled, is not mar-
 2 keted in a manner that:

3 (A) Is untruthful and misleading;

4 (B) Is attractive to minors; or

5 (C) Otherwise creates a significant risk of harm to public health and safety; and

6 (c) Ensuring that cannabinoid edibles and other cannabinoid products are not packaged in a
 7 manner that is attractive to minors.

8 (2) In adopting rules under ORS 475C.770 to 475C.919, the *[authority]* **Oregon Department of**
 9 **Health** shall require all usable marijuana, cannabinoid products and cannabinoid concentrates and
 10 extracts transferred by a medical marijuana dispensary registered under ORS 475C.833 to be pack-
 11 aged in accordance with subsection (1) of this section and rules adopted under subsection (1) of this
 12 section.

13 (3) In adopting rules under ORS 475C.005 to 475C.525, the commission shall require all usable
 14 marijuana, cannabinoid products and cannabinoid concentrates and extracts sold or transferred by
 15 a marijuana retailer that holds a license under ORS 475C.097 to be packaged in accordance with
 16 subsection (1) of this section and rules adopted under subsection (1) of this section.

17 (4) In adopting rules under subsection (1) of this section, the commission:

18 (a) May establish different packaging standards for different varieties of usable marijuana and
 19 for different types of cannabinoid products and cannabinoid concentrates and extracts;

20 (b) May establish different minimum packaging standards for persons registered under ORS
 21 475C.770 to 475C.919 and persons licensed under ORS 475C.005 to 475C.525;

22 (c) May consider the effect on the environment of requiring certain packaging;

23 (d) Shall consider the cost of a potential requirement and how that cost will affect the cost to
 24 the ultimate consumer of the marijuana item; and

25 (e) May not adopt rules that are more restrictive than is reasonably necessary to protect the
 26 public health and safety.

27 **SECTION 1449.** ORS 475C.616 is amended to read:

28 475C.616. (1) As used in this section:

29 (a) "Licensee" has the meaning given that term in ORS 475C.009.

30 (b) "Registrant" means a person registered under ORS 475C.770 to 475C.919.

31 (2) The Oregon Liquor and Cannabis Commission may by rule require a licensee, and the Oregon
 32 *[Health Authority]* **Department of Health** may by rule require a registrant, to submit packaging
 33 intended for a marijuana item for preapproval by the commission before the licensee or registrant
 34 may sell or transfer a marijuana item packaged in the packaging. The commission shall determine
 35 whether packaging submitted under this section complies with ORS 475C.612 and any rule adopted
 36 under ORS 475C.612.

37 (3) The commission may impose a fee for submitting packaging for preapproval under this sec-
 38 tion that is reasonably calculated to not exceed the cost of administering this section.

39 **SECTION 1450.** ORS 475C.620 is amended to read:

40 475C.620. (1) The Oregon Liquor and Cannabis Commission, in consultation with the Oregon
 41 *[Health Authority]* **Department of Health** and the State Department of Agriculture, shall adopt
 42 rules establishing:

43 (a) The maximum concentration of total delta-9-THC that is permitted in a single serving of a
 44 cannabinoid product or cannabinoid concentrate or extract;

45 (b) The maximum concentration of adult use cannabinoid, any other cannabinoid or artificially

1 derived cannabinoid that is permitted in a single serving of a cannabinoid product or a cannabinoid
2 concentrate or extract; and

3 (c) The number of servings that are permitted in a package of cannabinoid product or
4 cannabinoid concentrate or extract.

5 (2)(a) In adopting rules under subsection (1)(a) or (b) of this section, the commission shall pre-
6 scribe the different levels of concentration of total delta-9-THC, artificially derived cannabinoids,
7 adult use cannabinoids or any other cannabinoid that is permitted in a single serving of a
8 cannabinoid product or cannabinoid concentrate or extract for:

9 (A) Consumers who hold a valid registry identification card issued under ORS 475C.783; and

10 (B) Consumers who do not hold a valid registry identification card issued under ORS 475C.783.

11 (b) In prescribing the levels of concentration of total delta-9-THC, artificially derived
12 cannabinoids, adult use cannabinoids or any other cannabinoid that is permitted in a single serving
13 of a cannabinoid product or cannabinoid concentrate or extract for consumers who hold a valid
14 registry identification card issued under ORS 475C.783, the commission shall consider the appropri-
15 ate level of concentration necessary to mitigate the symptoms or effects of a debilitating medical
16 condition, as defined in ORS 475C.777.

17 (3) In adopting rules under ORS 475C.770 to 475C.919, the [authority] **Oregon Department of**
18 **Health** shall adopt by rule requirements established by the commission by rule to require all usable
19 marijuana, cannabinoid products and cannabinoid concentrates and extracts transferred by a med-
20 ical marijuana dispensary registered under ORS 475C.833 to meet the concentration standards and
21 servings per package standards adopted by rule pursuant to this section.

22 (4)(a) In adopting rules under ORS 475C.005 to 475C.525, the commission shall require all usable
23 marijuana, cannabinoid products and cannabinoid concentrates and extracts sold or transferred by
24 a marijuana retailer that holds a license under ORS 475C.097 to meet the concentration standards
25 and servings per package standards adopted by rule pursuant to this section.

26 (b) The rules adopted by the commission under this subsection must allow for a concentration
27 of up to 100 milligrams of adult use cannabinoid per package of cannabinoid edibles.

28 **SECTION 1451.** ORS 475C.632 is amended to read:

29 475C.632. To ensure compliance with ORS 475C.600 to 475C.648 and any rule adopted under ORS
30 475C.600 to 475C.648, the Oregon [Health Authority] **Department of Health** may inspect the prem-
31 ises of:

32 (1) A medical marijuana dispensary registered under ORS 475C.833; and

33 (2) A person that processes marijuana to test cannabinoid products or cannabinoid concentrates
34 or extracts for the purpose of transferring the cannabinoid products or cannabinoid concentrates
35 or extracts to a medical marijuana dispensary registered under ORS 475C.833.

36 **SECTION 1452.** ORS 475C.640 is amended to read:

37 475C.640. Subject to the applicable provisions of ORS chapter 183, if a person violates a pro-
38 vision of ORS 475C.600 to 475C.648 or a rule adopted under a provision of ORS 475C.600 to 475C.648,
39 the Oregon [Health Authority] **Department of Health** may:

40 (1) Refuse to register a person under ORS 475C.770 to 475C.919;

41 (2) Suspend activities conducted by a registrant pursuant to ORS 475C.770 to 475C.919; or

42 (3) Remove a registrant from a registry kept pursuant to ORS 475C.770 to 475C.919.

43 **SECTION 1453.** ORS 475C.698 is amended to read:

44 475C.698. (1) Notwithstanding the confidentiality provisions of ORS 475C.722, the Department
45 of Revenue may disclose information received under ORS 317.363 and 475C.670 to 475C.734 to:

1 (a) The Oregon Liquor and Cannabis Commission to carry out the provisions of ORS 475C.005
2 to 475C.525 and 475C.670 to 475C.734; and

3 (b) The Oregon [*Health Authority*] **Department of Health** to carry out the provisions of ORS
4 475C.678.

5 (2) The commission may disclose information obtained pursuant to ORS 475C.005 to 475C.525 and
6 475C.670 to 475C.734 to the Department **of Revenue** for the purpose of carrying out the provisions
7 of ORS 475C.005 to 475C.525 and 475C.670 to 475C.734.

8 (3) The [*authority*] **Oregon Department of Health** may disclose information obtained pursuant
9 to ORS 475C.783 or 475C.789 to the Department **of Revenue** for the purpose of carrying out the
10 provisions of ORS 475C.678, provided that the [*authority*] **Oregon Department of Health** does not
11 disclose personally identifiable information.

12 **SECTION 1454.** ORS 475C.714 is amended to read:

13 475C.714. (1) The Department of Revenue shall administer and enforce ORS 475C.670 to
14 475C.734. The department is authorized to establish rules and procedures for the implementation and
15 enforcement of ORS 475C.670 to 475C.734 that are consistent with ORS 475C.670 to 475C.734 and
16 that the department considers necessary and appropriate to administer and enforce ORS 475C.670
17 to 475C.734.

18 (2) The Oregon Liquor and Cannabis Commission shall enter into an agreement with the de-
19 partment for the purpose of administering and enforcing those provisions of ORS 475C.670 to
20 475C.734, and rules or procedures established for the purpose of implementing and enforcing ORS
21 475C.670 to 475C.734, that the commission and the department determine are necessary for the ef-
22 fective and efficient administration, implementation and enforcement of ORS 475C.670 to 475C.734.

23 (3) The Oregon [*Health Authority*] **Department of Health** shall enter into an agreement with
24 the Department **of Revenue** for the purpose of administering and enforcing the provisions of ORS
25 475C.678, and rules or procedures established for the purpose of implementing and enforcing ORS
26 475C.678, that the [*authority and the department*] **Oregon Department of Health and the Depart-**
27 **ment of Revenue** determine are necessary for the effective and efficient administration, implemen-
28 tation and enforcement of ORS 475C.678.

29 **SECTION 1455.** ORS 475C.750 is amended to read:

30 475C.750. (1) Notwithstanding any law relating to the exemption of information from public dis-
31 closure under ORS 475C.770 to 475C.919, upon the request of a financial institution, the Oregon
32 [*Health Authority*] **Department of Health** shall provide to the financial institution the following
33 information:

34 (a) Whether a person with whom the financial institution is doing business is registered under
35 ORS 475C.815 or 475C.833;

36 (b) The name of any other business or individual affiliated with the person;

37 (c) A copy of the application, and any supporting documentation submitted with that application,
38 for registration submitted by the person;

39 (d) Data relating to the volume of product transferred by the person;

40 (e) Whether the person is currently compliant with the provisions of ORS 475C.540 to 475C.586,
41 475C.600 to 475C.648 and 475C.770 to 475C.919 and rules adopted under ORS 475C.540 to 475C.586,
42 475C.600 to 475C.648 and 475C.770 to 475C.919;

43 (f) Any past or pending violation by the person of a provision of ORS 475C.540 to 475C.586,
44 475C.600 to 475C.648 or 475C.770 to 475C.919 or a rule adopted under ORS 475C.540 to 475C.586,
45 475C.600 to 475C.648 or 475C.770 to 475C.919; and

1 (g) Any penalty imposed upon the person for violating a provision of ORS 475C.540 to 475C.586,
2 475C.600 to 475C.648 or 475C.770 to 475C.919 or a rule adopted under ORS 475C.540 to 475C.586,
3 475C.600 to 475C.648 or 475C.770 to 475C.919.

4 (2) Upon receiving a request under subsection (1) of this section, the [authority] **department**
5 shall provide the requesting financial institution with the requested information.

6 (3) The [authority] **department** may charge a financial institution a reasonable fee to cover the
7 administrative costs of providing information under this section.

8 **SECTION 1456.** ORS 475C.777 is amended to read:

9 475C.777. As used in ORS 475C.770 to 475C.919:

10 (1) "Attending provider" means one of the following health care providers who has primary re-
11 sponsibility for the care and treatment of a person diagnosed with a debilitating medical condition:

12 (a) A physician licensed under ORS chapter 677;

13 (b) A physician assistant licensed under ORS 677.505 to 677.525;

14 (c) A nurse practitioner licensed under ORS 678.375 to 678.390;

15 (d) A clinical nurse specialist licensed under ORS 678.370 and 678.372;

16 (e) A certified registered nurse anesthetist as defined in ORS 678.245; or

17 (f) A naturopathic physician licensed under ORS chapter 685.

18 (2) "Cannabinoid" means any of the chemical compounds that are the active constituents of
19 marijuana.

20 (3) "Cannabinoid concentrate" means a substance obtained by separating cannabinoids from
21 marijuana by:

22 (a) A mechanical extraction process;

23 (b) A chemical extraction process using a nonhydrocarbon-based solvent, such as vegetable
24 glycerin, vegetable oils, animal fats, isopropyl alcohol or ethanol;

25 (c) A chemical extraction process using the hydrocarbon-based solvent carbon dioxide, provided
26 that the process does not involve the use of high heat or pressure; or

27 (d) Any other process identified by the Oregon [Health Authority] **Department of Health**, in
28 consultation with the Oregon Liquor and Cannabis Commission, by rule.

29 (4) "Cannabinoid edible" means food or potable liquid into which a cannabinoid concentrate,
30 cannabinoid extract or dried leaves or flowers of marijuana have been incorporated.

31 (5) "Cannabinoid extract" means a substance obtained by separating cannabinoids from
32 marijuana by:

33 (a) A chemical extraction process using a hydrocarbon-based solvent, such as butane, hexane
34 or propane;

35 (b) A chemical extraction process using the hydrocarbon-based solvent carbon dioxide, if the
36 process uses high heat or pressure; or

37 (c) Any other process identified by the Oregon [Health Authority] **Department of Health**, in
38 consultation with the Oregon Liquor and Cannabis Commission, by rule.

39 (6) "Debilitating medical condition" means:

40 (a) Cancer, glaucoma, a degenerative or pervasive neurological condition, positive status for
41 human immunodeficiency virus or acquired immune deficiency syndrome, or a side effect related to
42 the treatment of those medical conditions;

43 (b) A medical condition or treatment for a medical condition that produces, for a specific pa-
44 tient, one or more of the following:

45 (A) Cachexia;

- 1 (B) Severe pain;
- 2 (C) Severe nausea;
- 3 (D) Seizures, including seizures caused by epilepsy; or
- 4 (E) Persistent muscle spasms, including spasms caused by multiple sclerosis;
- 5 (c) Post-traumatic stress disorder; or
- 6 (d) Any other medical condition or side effect related to the treatment of a medical condition
- 7 adopted by the Oregon *[Health Authority]* **Department of Health** by rule or approved by the *[au-*
- 8 *thority]* **department** pursuant to a petition filed under ORS 475C.913.
- 9 (7)(a) “Delivery” has the meaning given that term in ORS 475.005.
- 10 (b) “Delivery” does not include transfer of marijuana by a registry identification cardholder to
- 11 another registry identification cardholder if no consideration is paid for the transfer.
- 12 (8)(a) “Designated primary caregiver” means an individual:
- 13 (A) Who is 18 years of age or older;
- 14 (B) Who has significant responsibility for managing the well-being of a person who has been
- 15 diagnosed with a debilitating medical condition; and
- 16 (C) Who is designated as the person responsible for managing the well-being of a person who
- 17 has been diagnosed with a debilitating medical condition on that person’s application for a registry
- 18 identification card or in other written notification submitted to the *[authority]* **department**.
- 19 (b) “Designated primary caregiver” does not include a person’s attending provider.
- 20 (9) “High heat” means a temperature exceeding 180 degrees.
- 21 (10) “Immature marijuana plant” means a marijuana plant that is not flowering.
- 22 (11)(a) “Marijuana” means the plant Cannabis family Cannabaceae, any part of the plant
- 23 Cannabis family Cannabaceae and the seeds of the plant Cannabis family Cannabaceae.
- 24 (b) “Marijuana” does not include:
- 25 (A) Industrial hemp, as defined in ORS 571.269; or
- 26 (B) Prescription drugs, as that term is defined in ORS 689.005, including those containing one
- 27 or more cannabinoids, that are approved by the United States Food and Drug Administration and
- 28 dispensed by a pharmacy, as defined in ORS 689.005.
- 29 (12) “Marijuana grow site” means a location registered under ORS 475C.792 where marijuana
- 30 is produced for use by a registry identification cardholder.
- 31 (13) “Marijuana processing site” means a marijuana processing site registered under ORS
- 32 475C.815 or a site for which an applicant has submitted an application for registration under ORS
- 33 475C.815.
- 34 (14) “Mature marijuana plant” means a marijuana plant that is not an immature marijuana
- 35 plant.
- 36 (15)(a) “Medical cannabinoid product” means a cannabinoid edible and any other product in-
- 37 tended for human consumption or use, including a product intended to be applied to a person’s skin
- 38 or hair, that contains cannabinoids or dried leaves or flowers of marijuana.
- 39 (b) “Medical cannabinoid product” does not include:
- 40 (A) Usable marijuana by itself;
- 41 (B) A cannabinoid concentrate by itself;
- 42 (C) A cannabinoid extract by itself; or
- 43 (D) Industrial hemp, as defined in ORS 571.269.
- 44 (16) “Medical marijuana dispensary” means a medical marijuana dispensary registered under
- 45 ORS 475C.833 or a site for which an applicant has submitted an application for registration under

1 ORS 475C.833.

2 (17) "Medical use of marijuana" means the production, processing, possession, delivery or ad-
3 ministration of marijuana, or use of paraphernalia used to administer marijuana, to mitigate the
4 symptoms or effects of a debilitating medical condition.

5 (18) "Person designated to produce marijuana by a registry identification cardholder" means a
6 person designated to produce marijuana by a registry identification cardholder under ORS 475C.792
7 who produces marijuana for a registry identification cardholder at an address other than the address
8 where the registry identification cardholder resides or at an address where more than 12 mature
9 marijuana plants are produced.

10 (19) "Process" means the compounding or conversion of marijuana into medical cannabinoid
11 products, cannabinoid concentrates or cannabinoid extracts.

12 (20) "Production" means:

13 (a) Planting, cultivating, growing, trimming or harvesting marijuana; or

14 (b) Drying marijuana leaves or flowers.

15 (21) "Registry identification card" means a document issued by the Oregon [*Health Authority*]
16 **Department of Health** under ORS 475C.783 that identifies a person authorized to engage in the
17 medical use of marijuana and, if the person has a designated primary caregiver under ORS 475C.789,
18 the person's designated primary caregiver.

19 (22) "Registry identification cardholder" means a person to whom a registry identification card
20 has been issued under ORS 475C.783.

21 (23)(a) "Usable marijuana" means the dried leaves and flowers of marijuana.

22 (b) "Usable marijuana" does not include:

23 (A) The seeds, stalks and roots of marijuana; or

24 (B) Waste material that is a by-product of producing marijuana.

25 (24) "Written documentation" means a statement signed by the attending provider of a person
26 diagnosed with a debilitating medical condition or copies of the person's relevant medical records.

27 **SECTION 1457.** ORS 475C.783 is amended to read:

28 475C.783. (1) The Oregon [*Health Authority*] **Department of Health** shall establish a program
29 for the issuance of registry identification cards to applicants who meet the requirements of this
30 section.

31 (2) The [*authority*] **department** shall issue a registry identification card to an applicant who is
32 18 years of age or older if the applicant pays a fee in an amount established by the [*authority*] **de-**
33 **partment** by rule and submits to the [*authority*] **department** an application containing the following
34 information:

35 (a) Written documentation from the applicant's attending provider stating that the attending
36 provider has diagnosed the applicant as having a debilitating medical condition and that the medical
37 use of marijuana may mitigate the symptoms or effects of the applicant's debilitating medical con-
38 dition;

39 (b) The name, address and date of birth of the applicant;

40 (c) The name, address and telephone number of the applicant's attending provider;

41 (d) Proof of residency, submitted in a form required by the [*authority*] **department** by rule;

42 (e) The name and address of the applicant's designated primary caregiver, if the applicant is
43 designating a primary caregiver under ORS 475C.789; and

44 (f) The information described in ORS 475C.792 (2), if the applicant is applying to produce
45 marijuana or designate another person under ORS 475C.792 to produce marijuana.

1 (3)(a) The [authority] **department** shall issue a registry identification card to an applicant who
2 is under 18 years of age if:

3 (A) The applicant pays the fee and submits the application described in subsection (2) of this
4 section; and

5 (B) The custodial parent or legal guardian who is responsible for the health care decisions of
6 the applicant signs and submits to the [authority] **department** a written statement that:

7 (i) The applicant's attending provider has explained to the applicant and to the custodial parent
8 or legal guardian the possible risks and benefits of the medical use of marijuana;

9 (ii) The custodial parent or legal guardian consents to the medical use of marijuana by the ap-
10 plicant;

11 (iii) The custodial parent or legal guardian agrees to serve as the applicant's designated primary
12 caregiver; and

13 (iv) The custodial parent or legal guardian agrees to control the acquisition, dosage and fre-
14 quency of the medical use of marijuana by the applicant.

15 (b) An applicant who is under 18 years of age may not apply to produce marijuana under sub-
16 section (2)(f) of this section.

17 (4) The [authority] **department** shall:

18 (a) On the date on which the [authority] **department** receives an application described in sub-
19 section (2) of this section, issue a receipt to the applicant verifying that the [authority] **department**
20 received an application under subsection (2) or (3) of this section; and

21 (b) Approve or deny an application received under subsection (2) or (3) of this section within
22 30 days after receiving the application.

23 (5)(a) If the [authority] **department** approves an application, the [authority] **department** shall
24 issue a serially numbered registry identification card to the applicant within five days after ap-
25 proving the application. The registry identification card must include the following information:

26 (A) The registry identification cardholder's name, address and date of birth;

27 (B) The issuance date and expiration date of the registry identification card;

28 (C) If the registry identification cardholder designated a primary caregiver under ORS 475C.789,
29 the name and address of the registry identification cardholder's designated primary caregiver; and

30 (D) Any other information required by the [authority] **department** by rule.

31 (b) If the registry identification cardholder designated a primary caregiver under ORS 475C.789,
32 the [authority] **department** shall issue an identification card to the designated primary caregiver.
33 The identification card must contain the information required by paragraph (a) of this subsection.

34 (6) A registry identification cardholder shall:

35 (a) In a form and manner prescribed by the [authority] **department**, notify the [authority] **de-**
36 **partment** of any change concerning the registry identification cardholder's:

37 (A) Name, address or attending provider;

38 (B) Designated primary caregiver, including the designation of a primary caregiver made at a
39 time other than at the time of applying for or renewing a registry identification card; or

40 (C) Person responsible for a marijuana grow site, including the designation of a person respon-
41 sible for a marijuana grow site made at a time other than at the time of applying for or renewing
42 a registry identification card.

43 (b) Annually renew the registry identification card by paying a fee in an amount established by
44 the [authority] **department** by rule and submitting to the [authority] **department** an application that
45 contains the following information:

1 (A) Updated written documentation from the registry identification cardholder's attending pro-
2 vider stating that the registry identification cardholder still has a debilitating medical condition and
3 that the medical use of marijuana may mitigate the symptoms or effects of the registry identification
4 cardholder's debilitating medical condition;

5 (B) The information described in subsection (2)(b) to (f) of this section; and

6 (C) If the registry identification cardholder is under 18 years of age, a statement signed by the
7 custodial parent or legal guardian of the registry identification cardholder that meets the require-
8 ments of subsection (3) of this section.

9 (7) The *[authority]* **department** shall:

10 (a) On the date on which the *[authority]* **department** receives an application described in sub-
11 section (2) of this section, issue a receipt to the applicant verifying that the *[authority]* **department**
12 received an application under subsection (6)(b) of this section; and

13 (b) Approve or deny an application received under subsection (6)(b) of this section within 30
14 days after receiving the application.

15 (8)(a) If the registry identification cardholder's attending provider determines that the registry
16 identification cardholder no longer has a debilitating medical condition, or determines that the
17 medical use of marijuana is contraindicated for the registry identification cardholder's debilitating
18 medical condition, the registry identification cardholder shall return the registry identification card
19 to the *[authority]* **department** within 30 calendar days after receiving notice of the determination.

20 (b) If, because of circumstances beyond the control of the registry identification cardholder, a
21 registry identification cardholder is unable to obtain a second medical opinion about the registry
22 identification cardholder's continuing eligibility for the medical use of marijuana before having to
23 return the registry identification card to the *[authority]* **department**, the *[authority]* **department**
24 may grant the registry identification cardholder additional time to obtain a second medical opinion.

25 (9)(a) The *[authority]* **department** may deny an application for a registry identification card or
26 an application to renew a registry identification card, or may suspend or revoke a registry identifi-
27 cation card, if:

28 (A) The applicant or registry identification cardholder does not provide the information required
29 by this section;

30 (B) The *[authority]* **department** determines that the applicant or registry identification
31 cardholder provided false information; or

32 (C) The *[authority]* **department** determines that the applicant or registry identification
33 cardholder violated a provision of ORS 475C.770 to 475C.919 or a rule adopted under ORS 475C.770
34 to 475C.919.

35 (b) If a registry identification card is revoked, any associated identification card issued under
36 subsection (5)(b) of this section, or marijuana grow site registration card issued under ORS 475C.792
37 (6), shall also be revoked.

38 (c) A person whose application is denied, or whose registry identification card is revoked, under
39 this subsection may not reapply for a registry identification card for six months from the date of the
40 denial or revocation unless otherwise authorized by the *[authority]* **department**.

41 (10)(a) The *[authority]* **department** may deny a designation of a primary caregiver made under
42 ORS 475C.789, or suspend or revoke an associated identification card issued under subsection (5)(b)
43 of this section, if the *[authority]* **department** determines that the designee or the registry identifi-
44 cation cardholder violated a provision of ORS 475C.770 to 475C.919 or a rule adopted under ORS
45 475C.770 to 475C.919.

1 (b) A person whose designation has been denied, or whose identification card has been revoked,
 2 under this subsection may not be designated as a primary caregiver under ORS 475C.789 for six
 3 months from the date of the denial or revocation unless otherwise authorized by the [authority] de-
 4 **partment**.

5 (11)(a) Notwithstanding subsection (2) or (6)(b) of this section, if an applicant for a registry
 6 identification card, or a registry identification cardholder applying for renewal of a registry iden-
 7 tification card, submits to the [authority] **department** proof of having served in the Armed Forces
 8 of the United States, the [authority] **department**:

9 (A) May not impose a fee that is greater than \$20 for the issuance or renewal of the registry
 10 identification card; and

11 (B) Must waive the fee for the issuance or renewal of the registry identification card if the ap-
 12 plicant submits proof of having a United States Department of Veterans Affairs total disability rat-
 13 ing of at least 50 percent as a result of an injury or illness that the veteran incurred, or that was
 14 aggravated, during active military service and who received a discharge or release under other than
 15 dishonorable conditions.

16 (b) Notwithstanding subsection (6)(b)(A) of this section, the requirement that a registry identifi-
 17 cation cardholder include in the application to renew a registry identification card updated written
 18 documentation from the cardholder's attending provider regarding the cardholder's continuing de-
 19 bilitating medical condition does not apply to a service-disabled veteran who:

20 (A) Has been assigned a total and permanent disability rating for compensation that rates the
 21 veteran as unable to secure or follow a substantially gainful occupation as a result of service-
 22 connected disabilities as described in 38 C.F.R. 4.16; or

23 (B) Has a United States Department of Veterans Affairs total disability rating of 100 percent
 24 as a result of an injury or illness that the veteran incurred, or that was aggravated, during active
 25 military service and who received a discharge or release under other than dishonorable conditions.

26 (12) For any purpose described in ORS 475C.770 to 475C.919, including exemption from criminal
 27 liability under ORS 475C.883, a receipt issued by the [authority] **Oregon Department of Health**
 28 verifying that an application has been submitted to the [authority] **Oregon Department of Health**
 29 under subsection (2), (3) or (6)(b) of this section has the same legal effect as a registry identification
 30 card for 30 days following the date on which the receipt was issued to the applicant.

31 **SECTION 1458.** ORS 475C.786 is amended to read:

32 475C.786. A designated primary caregiver may assist the designating registry identification
 33 cardholder with any matter related to the medical use of marijuana, including:

34 (1) The production of marijuana at the address provided by the registry identification cardholder
 35 to the Oregon [Health Authority] **Department of Health** pursuant to ORS 475C.783 (2)(f); and

36 (2) The processing of marijuana into cannabinoid concentrates or medical cannabinoid products.

37 **SECTION 1459.** ORS 475C.789 is amended to read:

38 475C.789. (1) If a person who is applying for a registry identification card under ORS 475C.783,
 39 or who is a registry identification cardholder, chooses to designate, or to change the designation
 40 of, a primary caregiver, the person must include the primary caregiver's name and address:

41 (a) On the person's application for a registry identification card;

42 (b) On the person's application to renew a registry identification card; or

43 (c) In a form and manner prescribed by the [authority] **Oregon Department of Health**, in a
 44 signed statement notifying the [Oregon Health Authority] **department** of the designation.

45 (2) A registry identification cardholder may have only one designated primary caregiver at any

1 given time.

2 (3) If a registry identification cardholder who previously designated a primary caregiver chooses
 3 to designate a different primary caregiver, the [authority] **department** shall notify the previous
 4 designee of the new designation and issue an identification card to the newly designated primary
 5 caregiver.

6 **SECTION 1460.** ORS 475C.792 is amended to read:

7 475C.792. (1)(a) The Oregon [Health Authority] **Department of Health** shall establish by rule a
 8 marijuana grow site registration system to track and regulate the production of marijuana by a
 9 registry identification cardholder or a person designated by the registry identification cardholder to
 10 produce marijuana for the registry identification cardholder.

11 (b) Except as provided in paragraph (c) of this subsection, a person may not produce marijuana
 12 unless the person is registered under this section.

13 (c) Paragraph (b) of this subsection does not apply to the production of marijuana as provided
 14 in ORS 475C.005 to 475C.525 or as otherwise provided for by the statutory laws of this state.

15 (2) Rules adopted under this section must require an applicant for a registry identification card,
 16 or a registry identification cardholder who produces marijuana or who designates another person
 17 to produce marijuana, to submit an application to the [authority] **department** containing the fol-
 18 lowing information at the time of making an application under ORS 475C.783 (2), renewing a registry
 19 identification card under ORS 475C.783 (6)(b), or notifying the [authority] **department** of a change
 20 under ORS 475C.783 (6)(a):

21 (a) The name of the person responsible for the marijuana grow site;

22 (b) Proof that the person is 21 years of age or older;

23 (c) If the registry identification cardholder or the person responsible for the marijuana grow site
 24 is not the owner of the premises of the marijuana grow site, signed informed consent from the owner
 25 of the premises to register the premises as a marijuana grow site;

26 (d) The address of the marijuana grow site; and

27 (e) Any other information that the [authority] **department** considers necessary to track the
 28 production of marijuana under ORS 475C.770 to 475C.919.

29 (3)(a) The [authority] **department** shall conduct a criminal records check under ORS 181A.195
 30 of any person whose name is submitted under this section as the person responsible for a marijuana
 31 grow site.

32 (b) A person convicted of a Class A or Class B felony under ORS 475.752 to 475.920 for the
 33 manufacture or delivery of a controlled substance in Schedule I or Schedule II may not act as or
 34 be designated a person responsible for a marijuana grow site for two years from the date of con-
 35 viction.

36 (c) A person convicted more than once of a Class A or Class B felony under ORS 475.752 to
 37 475.920 for the manufacture or delivery of a controlled substance in Schedule I or Schedule II may
 38 not act as or be designated a person responsible for a marijuana grow site.

39 (4) Subject to subsection (11) of this section, the [authority] **department** shall issue a marijuana
 40 grow site registration card if the requirements of subsections (2) and (3) of this section are met.

41 (5) A person who holds a marijuana grow site registration card under this section must display
 42 the card at the marijuana grow site at all times.

43 (6) A marijuana grow site registration card must be obtained and posted for each registry
 44 identification cardholder for whom marijuana is being produced at a marijuana grow site.

45 (7)(a) All seeds, immature marijuana plants, mature marijuana plants and usable marijuana as-

1 sociated with the production of marijuana for a registry identification cardholder by a person re-
2 sponsible for a marijuana grow site are the property of the registry identification cardholder.

3 (b) All seeds, immature marijuana plants, mature marijuana plants and usable marijuana asso-
4 ciated with the production of marijuana for a registry identification cardholder by a person re-
5 sponsible for a marijuana grow site must be transferred to the registry identification cardholder
6 upon the request of the registry identification cardholder.

7 (c) All usable marijuana associated with the production of marijuana for a registry identification
8 cardholder by a person responsible for a marijuana grow site must be transferred to a marijuana
9 processing site upon the request of the registry identification cardholder. For purposes of this par-
10 agraph, a request to transfer usable marijuana constitutes an assignment of the right to possess the
11 usable marijuana.

12 (d) All seeds, immature marijuana plants and usable marijuana associated with the production
13 of marijuana for a registry identification cardholder by a person responsible for a marijuana grow
14 site must be transferred to a medical marijuana dispensary upon request of the registry identifica-
15 tion cardholder. For purposes of this paragraph, a request to transfer seeds, immature marijuana
16 plants or usable marijuana constitutes an assignment of the right to possess the seeds, immature
17 marijuana plants or usable marijuana.

18 (e) Information related to transfers made under this subsection must be submitted to the [*au-*
19 *thority*] **department** in the manner required by ORS 475C.795.

20 (8) A registry identification cardholder, or the designated caregiver of a registry identification
21 cardholder, may reimburse a person responsible for a marijuana grow site for all costs associated
22 with the production of marijuana for the registry identification cardholder.

23 (9) The [*authority*] **department** may inspect:

24 (a) The marijuana grow site of a person designated to produce marijuana by a registry identifi-
25 cation cardholder to ensure compliance with this section and ORS 475C.795 and 475C.806 and any
26 rule adopted under this section and ORS 475C.795 and 475C.806; and

27 (b) The records of the marijuana grow site of a person designated to produce marijuana by a
28 registry identification cardholder to ensure compliance with this section and ORS 475C.795 and any
29 rule adopted under this section and ORS 475C.795.

30 (10) The [*authority*] **department** may refuse to register a registry identification cardholder or
31 a designee under this section or may suspend or revoke the registration of a person responsible for
32 a marijuana grow site if the [*authority*] **department** determines that the applicant or the person
33 responsible for a marijuana grow site violated a provision of ORS 475C.770 to 475C.919, a rule
34 adopted under ORS 475C.770 to 475C.919 or an ordinance adopted pursuant to ORS 475C.827.

35 (11) The [*authority*] **department** may require a person responsible for a marijuana grow site,
36 prior to issuing a marijuana grow site registration card under subsection (4) of this section, to pay
37 a fee reasonably calculated to pay costs incurred under this section and ORS 475C.795 and 475C.856.

38 **SECTION 1461.** ORS 475C.794 is amended to read:

39 475C.794. (1) For purposes of ORS 475C.770 to 475C.919, if a marijuana grow site has a physical
40 United States Postal Service address, an application filed for a marijuana grow site registration card
41 under ORS 475C.792 must include the physical address. If the grow site does not have a physical
42 United States Postal Service address, the application must include:

43 (a) An assessor's map number with a map showing the exact location of the grow site;

44 (b) The name of the city or, if outside of a city, the name of the county in which the grow site
45 is located;

- 1 (c) The zip code for the location; and
- 2 (d) One or more of the following for the location:
- 3 (A) Longitude and latitude coordinates;
- 4 (B) Township coordinates;
- 5 (C) Global positioning system coordinates; or
- 6 (D) The tax lot number.

7 (2) For purposes of ORS 475C.792, the Oregon [*Health Authority*] **Department of Health** shall
 8 accept the forms of evidence described in subsection (1) of this section for the purpose of estab-
 9 lishing the address where a marijuana grow site is located.

10 **SECTION 1462.** ORS 475C.795 is amended to read:

11 475C.795. (1) A person designated to produce marijuana by a registry identification cardholder
 12 must submit to the Oregon [*Health Authority*] **Department of Health**, in a form and manner estab-
 13 lished by the [*authority*] **department** by rule, the following information related to the production
 14 of marijuana:

- 15 (a) The number of mature marijuana plants and immature marijuana plants, the amount of
 16 marijuana leaves and flowers being dried, and the amount of usable marijuana, in the person's pos-
 17 session;
- 18 (b) The number of mature marijuana plants and immature marijuana plants, and the amount of
 19 usable marijuana, that the person transfers to each registry identification cardholder for whom the
 20 person produces marijuana;
- 21 (c) The amount of usable marijuana that the person transfers to each marijuana processing site;
 22 and
- 23 (d) The number of immature marijuana plants, and the amount of usable marijuana, that the
 24 person transfers to each medical marijuana dispensary.

25 (2) The [*authority*] **department** shall by rule require a person designated to produce marijuana
 26 by a registry identification cardholder to submit the information described in subsection (1) of this
 27 section once each month. The [*authority*] **department** may not employ any method other than that
 28 described in this section to obtain information related to the production of marijuana from a person
 29 designated to produce marijuana by a registry identification cardholder.

30 (3) In addition to submitting the information as required by subsection (1) of this section, a
 31 person designated to produce marijuana by a registry identification cardholder must keep a record
 32 of the information described in subsection (1) of this section for two years after the date on which
 33 the person submits the information to the [*authority*] **department**.

34 **SECTION 1463.** ORS 475C.797 is amended to read:

35 475C.797. (1) Notwithstanding ORS 475C.795 (2), a person designated to produce marijuana by
 36 a registry identification cardholder may delegate the person's duty to submit to the Oregon [*Health*
 37 *Authority*] **Department of Health** the information described in ORS 475C.795 to another person
 38 designated to produce marijuana by a registry identification cardholder if the marijuana grow sites
 39 for which the persons are required to submit the information are located at the same address.

40 (2) A person to whom the duty described in subsection (1) of this section is delegated must in-
 41 form the [*authority*] **department** of the delegation in a form and manner prescribed by the
 42 [*authority*] **department**.

43 (3) In adopting rules prescribing the form and manner in which information is submitted to the
 44 [*authority*] **department** under ORS 475C.795, the [*authority*] **department** shall adopt rules that
 45 lessen the administrative burden on persons to whom the duty described in subsection (1) of this

1 section is delegated.

2 **SECTION 1464.** ORS 475C.800 is amended to read:

3 475C.800. (1) Subject to subsection (2) of this section, a marijuana grow site may transfer up to
4 20 pounds of usable marijuana per year to a person that holds a license issued under ORS 475C.085
5 or 475C.093, provided that:

6 (a) The transfer is tracked using the system developed and maintained under ORS 475C.177;

7 (b) More than 12 mature marijuana plants are produced at the marijuana grow site;

8 (c) The usable marijuana has been assigned to the person responsible for the marijuana grow
9 site pursuant to ORS 475C.798;

10 (d) The usable marijuana has been tested in accordance with the provisions of ORS 475C.540 to
11 475C.586; and

12 (e) The marijuana grow site first registered with the Oregon [*Health Authority*] **Department**
13 **of Health** under ORS 475C.792 on or before August 2, 2017.

14 (2) If the Oregon Liquor and Cannabis Commission determines that the supply of marijuana
15 items offered for sale by marijuana retailers that hold a license issued under ORS 475C.097 is ex-
16 ceeding consumer demand for the marijuana items, and if the commission determines that the market
17 for marijuana items in this state will not self-correct for the excess, the commission may issue an
18 order that temporarily reduces the amount of usable marijuana that may be transferred pursuant to
19 this section or that temporarily suspends the ability to transfer usable marijuana pursuant to this
20 section.

21 **SECTION 1465.** ORS 475C.803 is amended to read:

22 475C.803. ORS 475C.871 does not authorize the Oregon [*Health Authority*] **Department of**
23 **Health** or the Oregon Liquor and Cannabis Commission to require a marijuana grow site to use a
24 security system or any component of a security system, such as video surveillance, an alarm system,
25 sensors or physical barriers.

26 **SECTION 1466.** ORS 475C.806 is amended to read:

27 475C.806. (1)(a) A registry identification cardholder and the designated primary caregiver of the
28 registry identification cardholder may jointly possess:

29 (A) Six or fewer mature marijuana plants; and

30 (B) Twelve or fewer immature marijuana plants.

31 (b)(A) Unless an address is the marijuana grow site of a person designated to produce marijuana
32 by a registry identification cardholder, the address where a registry identification cardholder or the
33 primary caregiver of a registry identification cardholder produces marijuana may be used to produce
34 not more than:

35 (i) Six or fewer mature marijuana plants per registry identification cardholder, up to 12 mature
36 marijuana plants; and

37 (ii) Twelve or fewer immature marijuana plants per registry identification cardholder, up to 24
38 immature marijuana plants.

39 (B) Except as provided in subparagraph (C) of this paragraph, an address that is subject to this
40 paragraph may not be used to produce plants in the genus *Cannabis* within the plant family
41 Cannabaceae pursuant to ORS 475C.305.

42 (C) Subject to subparagraph (D) of this paragraph, an address that is subject to this paragraph
43 may be used to produce plants in the genus *Cannabis* within the plant family Cannabaceae pursuant
44 to ORS 475C.305 if a person other than a registry identification cardholder who is using the address
45 to produce marijuana plants pursuant to ORS 475C.770 to 475C.919 resides at the address.

1 (D) An address that is subject to this paragraph may not be used to produce more than 12 total
2 mature marijuana plants.

3 (2)(a) A person may be designated to produce marijuana under ORS 475C.792 by no more than
4 eight registry identification cardholders.

5 (b) A person responsible for a marijuana grow site may produce for a registry identification
6 cardholder who designates the person to produce marijuana no more than:

7 (A) Six mature marijuana plants;

8 (B) 12 immature marijuana plants that are 24 inches or more in height; and

9 (C) The amount, established by the Oregon *[Health Authority]* **Department of Health** by rule,
10 of immature marijuana plants that are less than 24 inches in height.

11 (3) If the address of a person responsible for a marijuana grow site registered under ORS
12 475C.792 is located within city limits in an area zoned for residential use:

13 (a) Except as provided in paragraph (b) of this subsection, no more than the following amounts
14 of marijuana plants may be produced at the address:

15 (A) 12 mature marijuana plants;

16 (B) 24 immature marijuana plants that are 24 inches or more in height; and

17 (C) The amount, established by the *[authority]* **department** by rule, of immature marijuana
18 plants that are less than 24 inches in height; or

19 (b) Subject to subsection (5) of this section, if each person responsible for a marijuana grow site
20 located at the address first registered with the *[authority]* **department** under ORS 475C.792 before
21 January 1, 2015, no more than the following amounts of marijuana plants may be produced at the
22 address:

23 (A) The amount of mature marijuana plants located at that address on December 31, 2014, in
24 excess of 12 mature marijuana plants, not to exceed 24 mature marijuana plants;

25 (B) 48 immature marijuana plants that are 24 inches or more in height; and

26 (C) The amount, established by the *[authority]* **department** by rule, of immature marijuana
27 plants that are less than 24 inches in height.

28 (4) If the address of a person responsible for a marijuana grow site registered under ORS
29 475C.792 is located in an area other than an area described in subsection (3) of this section:

30 (a) Except as provided in paragraph (b) of this subsection, no more than the following amounts
31 of marijuana plants may be produced at the address:

32 (A) 48 mature marijuana plants;

33 (B) 96 immature marijuana plants that are 24 inches or more in height; and

34 (C) The amount, established by the *[authority]* **department** by rule, of immature marijuana
35 plants that are less than 24 inches in height; or

36 (b) Subject to subsections (5) and (6) of this section, if each person responsible for a marijuana
37 grow site located at the address first registered with the *[authority]* **department** under ORS
38 475C.792 before January 1, 2015, no more than the following amounts of marijuana plants may be
39 produced at the address:

40 (A) The amount of mature marijuana plants located at that address on December 31, 2014, in
41 excess of 48 mature marijuana plants, not to exceed 96 mature marijuana plants;

42 (B) 192 immature marijuana plants that are 24 inches or more in height; and

43 (C) The amount, established by the *[authority]* **department** by rule, of immature marijuana
44 plants that are less than 24 inches in height.

45 (5)(a) If the *[authority]* **department** suspends or revokes the registration of a person responsible

1 for a marijuana grow site that is located at an address described in subsection (3)(b) of this section,
2 no more than the following amounts of marijuana plants may subsequently be produced at any ad-
3 dress described in subsection (3) of this section at which the person responsible for the marijuana
4 grow site produces marijuana:

5 (A) 12 mature marijuana plants;

6 (B) 24 immature marijuana plants that are 24 inches or more in height; and

7 (C) The amount, established by the [authority] **department** by rule, of immature marijuana
8 plants that are less than 24 inches in height.

9 (b) If the [authority] **department** suspends or revokes the registration of a person responsible
10 for a marijuana grow site that is located at an address described in subsection (4)(b) of this section,
11 no more than the following amounts of marijuana plants may subsequently be produced at any ad-
12 dress described in subsection (4) of this section at which the person responsible for the marijuana
13 grow site produces marijuana:

14 (A) 48 mature marijuana plants;

15 (B) 96 immature marijuana plants that are 24 inches or more in height; and

16 (C) The amount, established by the [authority] **department** by rule, of immature marijuana
17 plants that are less than 24 inches in height.

18 (6) If a registry identification cardholder who designated a person to produce marijuana for the
19 registry identification cardholder pursuant to ORS 475C.792 terminates the designation, the person
20 responsible for the marijuana grow site whose designation has been terminated may not be desig-
21 nated to produce marijuana by another registry identification cardholder, except that the person
22 may be designated by another registry identification cardholder if no more than 48 mature
23 marijuana plants and no more than 96 immature marijuana plants that are 24 or more inches in
24 height are produced at the address for the marijuana grow site at which the person produces
25 marijuana.

26 (7) Subject to the limits described in subsections (2) to (6) of this section, if multiple persons
27 responsible for a marijuana grow site under ORS 475C.792 are located at the same address, the
28 persons designated to produce marijuana by registry identification cardholders who are located at
29 that address may collectively produce marijuana plants for any number of registry identification
30 cardholders who designate the persons to produce marijuana.

31 (8) If a law enforcement officer determines that there is a number of marijuana plants at an
32 address in excess of the quantities specified in this section, or that an address is being used to
33 produce a number of marijuana plants in excess of the quantities specified in subsection (1)(b) of this
34 section, the law enforcement officer may confiscate only the excess number of marijuana plants.

35 **SECTION 1467.** ORS 475C.809 is amended to read:

36 475C.809. (1) Except as provided in subsection (2) of this section, a registry identification
37 cardholder and the designated primary caregiver of the registry identification cardholder may jointly
38 possess no more than 24 ounces of usable marijuana.

39 (2) Subject to subsection (3) of this section, a person designated to produce marijuana by a
40 registry identification cardholder may possess the amount of usable marijuana that the person har-
41 vests from the person's mature marijuana plants, provided that the person may not possess usable
42 marijuana in excess of the amount of usable marijuana in the person's possession as reported to the
43 Oregon [Health Authority] **Department of Health** under ORS 475C.795.

44 (3) A person designated to produce marijuana by a registry identification cardholder may not
45 possess usable marijuana in excess of:

1 (a) For a marijuana grow site located outdoors, 12 pounds of usable marijuana per mature
2 marijuana plant; or

3 (b) For a marijuana grow site located indoors, six pounds of usable marijuana per mature
4 marijuana plant.

5 **SECTION 1468.** ORS 475C.812 is amended to read:

6 475C.812. A person to whom a registry identification card has been issued under ORS 475C.783
7 (5)(a), an identification card has been issued under ORS 475C.783 (5)(b), or a marijuana grow site
8 registration card has been issued under ORS 475C.792, may not possess marijuana, usable marijuana,
9 medical cannabinoid products, cannabinoid concentrates or cannabinoid extracts in a location other
10 than the address on file with the Oregon [*Health Authority*] **Department of Health** unless the per-
11 son is carrying the card.

12 **SECTION 1469.** ORS 475C.815 is amended to read:

13 475C.815. (1)(a) The Oregon [*Health Authority*] **Department of Health** shall establish by rule a
14 marijuana processing site registration system to track and regulate the processing of marijuana by
15 a person responsible for a marijuana processing site.

16 (b) Except as provided in paragraph (c) of this subsection, a person may not process marijuana
17 unless the person is registered under this section.

18 (c) Paragraph (b) of this subsection does not apply to the processing of marijuana as provided
19 in ORS 475C.005 to 475C.525 or as otherwise provided for by the statutory laws of this state.

20 (2) The registration system established under subsection (1) of this section must require an ap-
21 plicant for a marijuana processing site to submit an application to the [*authority*] **department** that
22 includes:

23 (a) The name of the individual who owns the marijuana processing site or, if a business entity
24 owns the marijuana processing site, the name of each individual who has a financial interest in the
25 marijuana processing site;

26 (b) The name of the individual or individuals responsible for the marijuana processing site, if
27 different from the name of the individual who owns the marijuana processing site;

28 (c) The address of the marijuana processing site;

29 (d) Proof that each individual responsible for the marijuana processing site is 21 years of age
30 or older;

31 (e) Documentation, as required by the [*authority*] **department** by rule, that demonstrates the
32 marijuana processing site meets the requirements of subsection (3) of this section; and

33 (f) Any other information that the [*authority*] **department** considers necessary.

34 (3) To qualify for registration under this section, a marijuana processing site:

35 (a) May not be located in an area that is zoned for residential use if the marijuana processing
36 site processes cannabinoid extracts;

37 (b) Must be registered as a business, or have filed an application to register as a business, with
38 the office of the Secretary of State; and

39 (c) Must meet the requirements of any rule adopted by the [*authority*] **department** under sub-
40 section (10) of this section.

41 (4)(a) The [*authority*] **department** shall conduct a criminal records check under ORS 181A.195
42 for each individual named in an application under subsection (2) of this section.

43 (b) An individual convicted for the manufacture or delivery of a controlled substance in Sched-
44 ular I or Schedule II may not own or be responsible for a marijuana processing site for two years
45 from the date the individual is convicted.

1 (c) An individual convicted more than once for the manufacture or delivery of a controlled
2 substance in Schedule I or Schedule II may not own or be responsible for a marijuana processing
3 site.

4 (5) If a person submits the application required under subsection (2) of this section, if the
5 marijuana processing site identified in the application meets the requirements of this section and
6 any rules adopted under this section and if each individual named in the application passes the
7 criminal records check required under subsection (4) of this section, the [authority] **department**
8 shall register the marijuana processing site and issue proof of registration. Proof of registration
9 must be displayed on the premises of the marijuana processing site at all times.

10 (6) A marijuana processing site that is registered under this section is not required to register
11 with the State Board of Pharmacy under ORS 475.125.

12 (7) The individual or individuals responsible for a marijuana processing site shall maintain doc-
13 umentation of each transfer of usable marijuana, medical cannabinoid products, cannabinoid con-
14 centrates and cannabinoid extracts.

15 (8) The [authority] **department** may inspect:

16 (a) The premises of a proposed marijuana processing site or a registered marijuana processing
17 site to ensure compliance with this section and ORS 475C.821 and 475C.824 and any rules adopted
18 under this section and ORS 475C.821 and 475C.824; and

19 (b) The records of a registered marijuana processing site to ensure compliance with subsection
20 (7) of this section.

21 (9) Subject to the provisions of ORS chapter 183, the [authority] **department** may refuse to
22 register an applicant under this section or may suspend or revoke the registration of a marijuana
23 processing site if the [authority] **department** determines that the applicant, the owner of the
24 marijuana processing site, a person responsible for the marijuana processing site, or an employee
25 of the marijuana processing site, violated a provision of ORS 475C.770 to 475C.919, a rule adopted
26 under ORS 475C.770 to 475C.919 or an ordinance adopted pursuant to ORS 475C.897.

27 (10) The [authority] **department** shall adopt rules to implement this section, including rules that:

28 (a) Require a registered marijuana processing site to annually renew the registration for that
29 site;

30 (b) Establish fees for registering, and renewing the registration of, a marijuana processing site;

31 (c) Require that medical cannabinoid products, cannabinoid concentrates and cannabinoid ex-
32 tracts transferred by a marijuana processing site be tested to ensure the public health and safety;
33 and

34 (d) Impose any other standard on the operation of a marijuana processing site to ensure the
35 public health and safety.

36 **SECTION 1470.** ORS 475C.818 is amended to read:

37 475C.818. For the purpose of requesting a state or nationwide criminal records check under ORS
38 181A.195, the Oregon [Health Authority] **Department of Health** may require the fingerprints of any
39 individual listed on an application submitted under ORS 475C.815. The powers conferred on the
40 [authority] **department** under this section include the power to require the fingerprints of:

41 (1) If the applicant is a limited partnership, each partner of the limited partnership;

42 (2) If the applicant is a limited liability company, each member of the limited liability company;

43 (3) If the applicant is a corporation, each director and officer of the corporation;

44 (4) Any individual who holds a financial interest of 10 percent or more in the person applying
45 for the license; and

1 (5) Any individual who is a partner, member, director or officer of a legal entity with a financial
2 interest in the person applying for the license.

3 **SECTION 1471.** ORS 475C.821 is amended to read:

4 475C.821. (1) The Oregon [*Health Authority*] **Department of Health** shall require by rule a
5 marijuana processing site to submit to the [*authority*] **department** for inclusion in the database de-
6 veloped and maintained pursuant to ORS 475C.856 the following information:

7 (a) The amount of usable marijuana transferred to the marijuana processing site;

8 (b) The amount and type of medical cannabinoid products transferred by the marijuana pro-
9 cessing site;

10 (c) The amount and type of cannabinoid concentrates transferred by the marijuana processing
11 site; and

12 (d) The amount and type of cannabinoid extracts transferred by the marijuana processing site.

13 (2) The [*authority*] **department** by rule may require a marijuana processing site to submit to the
14 [*authority*] **department** for inclusion in the database developed and maintained pursuant to ORS
15 475C.856 information that is in addition to the information described in subsection (1) of this section
16 as the [*authority*] **department** considers necessary to fulfill the [*authority's*] **department's** duties
17 under ORS 475C.815 (1). The [*authority*] **department** may not employ any method other than that
18 described in this section to obtain information from a marijuana processing site.

19 **SECTION 1472.** ORS 475C.824 is amended to read:

20 475C.824. (1) A marijuana processing site must meet any public health and safety standards es-
21 tablished by the Oregon [*Health Authority*] **Department of Health** by rule related to:

22 (a) Cannabinoid edibles, if the marijuana processing site processes marijuana into cannabinoid
23 edibles;

24 (b) Cannabinoid concentrates, if the marijuana processing site processes marijuana into
25 cannabinoid concentrates;

26 (c) Cannabinoid extracts, if the marijuana processing site processes marijuana into cannabinoid
27 extracts; or

28 (d) Any other type of medical cannabinoid product identified by the [*authority*] **department** by
29 rule, if the marijuana processing site processes marijuana into that type of medical cannabinoid
30 product.

31 (2) The [*authority*] **department** shall adopt rules to implement this section.

32 **SECTION 1473.** ORS 475C.833, as amended by section 25, chapter 81, Oregon Laws 2022, is
33 amended to read:

34 475C.833. (1)(a) The Oregon [*Health Authority*] **Department of Health** shall establish by rule a
35 medical marijuana dispensary registration system for the purpose of tracking and regulating the
36 transfer of:

37 (A) Usable marijuana, immature marijuana plants and seeds from registry identification
38 cardholders, designated primary caregivers and persons responsible for marijuana grow sites to
39 medical marijuana dispensaries;

40 (B) Medical cannabinoid products, cannabinoid concentrates and cannabinoid extracts from
41 persons responsible for marijuana processing sites to medical marijuana dispensaries; and

42 (C) Usable marijuana, immature marijuana plants, seeds, medical cannabinoid products,
43 cannabinoid concentrates and cannabinoid extracts from medical marijuana dispensaries to registry
44 identification cardholders and designated primary caregivers.

45 (b) A person may not operate an establishment for the purpose of providing the services de-

1 scribed in paragraph (a) of this subsection unless the person is registered under this section.

2 (2) The registration system established under subsection (1) of this section must require an ap-
3 plicant for a medical marijuana dispensary to submit an application to the [authority] **department**
4 that includes:

5 (a) The name of the individual who owns the medical marijuana dispensary or, if a business
6 entity owns the medical marijuana dispensary, the name of each individual who has a financial in-
7 terest in the medical marijuana dispensary;

8 (b) The name of the individual or individuals responsible for the medical marijuana dispensary,
9 if different from the name of the individual who owns the medical marijuana dispensary;

10 (c) The address of the medical marijuana dispensary;

11 (d) Proof that each individual responsible for the medical marijuana dispensary is 21 years of
12 age or older;

13 (e) Documentation, as required by the [authority] **department** by rule, that demonstrates the
14 medical marijuana dispensary meets the requirements of subsection (3) of this section; and

15 (f) Any other information that the [authority] **department** considers necessary.

16 (3) To qualify for registration under this section, a medical marijuana dispensary:

17 (a) May not be located in an area that is zoned for residential use;

18 (b) May not be located at the same address as a marijuana grow site;

19 (c) Must be registered as a business, or have filed an application to register as a business, with
20 the office of the Secretary of State;

21 (d) Except as provided under ORS 475C.840, may not be located within 1,000 feet of:

22 (A) A building where a public prekindergarten or kindergarten program is provided by a school
23 district or an education service district;

24 (B) A public elementary or secondary school for which attendance is compulsory under ORS
25 339.020; or

26 (C) A private or parochial elementary or secondary school, teaching children as described in
27 ORS 339.030 (1)(a);

28 (e) Must not be located within 1,000 feet of another medical marijuana dispensary; and

29 (f) Must meet the requirements of any rule adopted by the [authority] **department** under sub-
30 section (10) of this section.

31 (4)(a) The [authority] **department** shall conduct a criminal records check under ORS 181A.195
32 for each individual named in an application submitted under subsection (2) of this section.

33 (b) An individual convicted for the manufacture or delivery of a controlled substance in Sched-
34 ular I or Schedule II may not own or be responsible for a medical marijuana dispensary for two years
35 from the date the individual is convicted.

36 (c) An individual convicted more than once for the manufacture or delivery of a controlled
37 substance in Schedule I or Schedule II may not own or be responsible for a medical marijuana
38 dispensary.

39 (5) If a person submits the application required under subsection (2) of this section, if the med-
40 ical marijuana dispensary identified in the application meets the requirements of this section and
41 any rules adopted under this section and if each individual named in the application passes the
42 criminal records check required under subsection (4) of this section, the [authority] **department**
43 shall register the medical marijuana dispensary and issue proof of registration. Proof of registration
44 must be displayed on the premises of the medical marijuana dispensary at all times.

45 (6) A medical marijuana dispensary that is registered under this section is not required to reg-

1 ister with the State Board of Pharmacy under ORS 475.125.

2 (7) The individual or individuals responsible for a medical marijuana dispensary shall maintain
3 documentation of each transfer of usable marijuana, medical cannabinoid products, cannabinoid
4 concentrates, cannabinoid extracts, immature marijuana plants and seeds.

5 (8) The [authority] **department** may inspect:

6 (a) The premises of a proposed medical marijuana dispensary or a registered medical marijuana
7 dispensary to ensure compliance with this section and ORS 475C.843 and any rules adopted under
8 this section or ORS 475C.843; and

9 (b) The records of a registered medical marijuana dispensary to ensure compliance with sub-
10 section (7) of this section.

11 (9) Subject to the provisions of ORS chapter 183, the [authority] **department** may refuse to
12 register an applicant under this section or may suspend or revoke the registration of a medical
13 marijuana dispensary if the [authority] **department** determines that the applicant, the owner of the
14 medical marijuana dispensary, a person responsible for the medical marijuana dispensary, or an
15 employee of the medical marijuana dispensary, violated a provision of ORS 475C.770 to 475C.919, a
16 rule adopted under ORS 475C.770 to 475C.919 or an ordinance adopted pursuant to ORS 475C.897.

17 (10) The [authority] **department** shall adopt rules to implement this section, including rules that:

18 (a) Require a registered medical marijuana dispensary to annually renew the registration for
19 that dispensary;

20 (b) Establish fees for registering, and renewing the registration of, a medical marijuana
21 dispensary;

22 (c) Require that each medical marijuana dispensary install and maintain a minimum security
23 system that includes video surveillance, an alarm system and a safe;

24 (d) Require that usable marijuana, medical cannabinoid products, cannabinoid concentrates,
25 cannabinoid extracts and immature marijuana plants transferred by a medical marijuana dispensary
26 be tested to ensure the public health and safety; and

27 (e) Impose any other standard on the operation of a medical marijuana dispensary to ensure the
28 public health and safety.

29 **SECTION 1474.** ORS 475C.837 is amended to read:

30 475C.837. For the purpose of requesting a state or nationwide criminal records check under ORS
31 181A.195, the Oregon [Health Authority] **Department of Health** may require the fingerprints of any
32 individual listed on an application submitted under ORS 475C.833. The powers conferred on the
33 [authority] **department** under this section include the power to require the fingerprints of:

34 (1) If the applicant is a limited partnership, each partner of the limited partnership;

35 (2) If the applicant is a limited liability company, each member of the limited liability company;

36 (3) If the applicant is a corporation, each director and officer of the corporation;

37 (4) Any individual who holds a financial interest of 10 percent or more in the person applying
38 for the license; and

39 (5) Any individual who is a partner, member, director or officer of a legal entity with a financial
40 interest in the person applying for the license.

41 **SECTION 1475.** ORS 475C.840, as amended by section 26, chapter 81, Oregon Laws 2022, is
42 amended to read:

43 475C.840. Notwithstanding ORS 475C.833 (3)(d), a medical marijuana dispensary may be located
44 within 1,000 feet of a building described in ORS 475C.833 (3)(d) if:

45 (1)(a) The medical marijuana dispensary is not located within 500 feet of:

1 (A) A building where a public prekindergarten or kindergarten program is provided by a school
2 district or an education service district;

3 (B) A public elementary or secondary school for which attendance is compulsory under ORS
4 339.020; or

5 (C) A private or parochial elementary or secondary school, teaching children as described in
6 ORS 339.030 (1)(a); and

7 (b) The Oregon [*Health Authority*] **Department of Health** determines that there is a physical
8 or geographic barrier capable of preventing children from traversing to the premises of the medical
9 marijuana dispensary; or

10 (2) The medical marijuana dispensary was established before August 1, 2017, in accordance with
11 a city or county ordinance adopted under section 29, chapter 83, Oregon Laws 2016.

12 **SECTION 1476.** ORS 475C.843 is amended to read:

13 475C.843. (1) The Oregon [*Health Authority*] **Department of Health** shall require by rule a
14 medical marijuana dispensary to submit to the [*authority*] **department** for inclusion in the database
15 developed and maintained pursuant to ORS 475C.856 the following information:

16 (a) The amount of usable marijuana transferred to and by the medical marijuana dispensary;

17 (b) The amount and type of medical cannabinoid products transferred to and by the medical
18 marijuana dispensary;

19 (c) The amount and type of cannabinoid concentrates transferred to and by the medical
20 marijuana dispensary;

21 (d) The amount and type of cannabinoid extracts transferred to and by the medical marijuana
22 dispensary; and

23 (e) The quantity of immature marijuana plants transferred to and by the medical marijuana
24 dispensary.

25 (2) The [*authority*] **department** by rule may require a medical marijuana dispensary to submit
26 to the [*authority*] **department** for inclusion in the database developed and maintained pursuant to
27 ORS 475C.856 information that is in addition to the information described in subsection (1) of this
28 section as the [*authority*] **department** considers necessary to fulfill the [*authority's*] **department's**
29 duties under ORS 475C.833 (1). The [*authority*] **department** may not employ any method other than
30 that described in this section to obtain information from a medical marijuana dispensary.

31 **SECTION 1477.** ORS 475C.847, as amended by section 27, chapter 81, Oregon Laws 2022, is
32 amended to read:

33 475C.847. If a building described in ORS 475C.833 (3)(d) that has not previously been attended
34 by children is established within 1,000 feet of a medical marijuana dispensary, the medical marijuana
35 dispensary may remain at its current location unless the Oregon [*Health Authority*] **Department**
36 **of Health** revokes the registration of the medical marijuana dispensary.

37 **SECTION 1478.** ORS 475C.850 is amended to read:

38 475C.850. (1) In addition to the powers granted nonprofit corporations under ORS 65.077 and
39 65.081, a medical marijuana dispensary that is owned by a nonprofit corporation organized under
40 ORS chapter 65 may receive by gift, devise or bequest:

41 (a) Usable marijuana, immature marijuana plants and seeds from registry identification
42 cardholders, designated primary caregivers, persons responsible for marijuana grow sites, persons
43 who hold a license under ORS 475C.065 and persons who hold a certificate under ORS 475C.289; and

44 (b) Medical cannabinoid products, cannabinoid concentrates and cannabinoid extracts from per-
45 sons responsible for marijuana processing sites, persons who hold a license under ORS 475C.085 and

1 persons who hold a certificate under ORS 475C.289.

2 (2) If a registry identification cardholder's annual income is at or below the federal poverty
3 guidelines, a medical marijuana dispensary that is owned by a nonprofit corporation organized under
4 ORS chapter 65 shall dispense usable marijuana, immature marijuana plants, seeds, medical
5 cannabinoid products, cannabinoid concentrates and cannabinoid extracts to that registry identifi-
6 cation cardholder or the designated primary caregiver of that registry identification cardholder free
7 of charge or at a discounted price.

8 (3) The Oregon [*Health Authority*] **Department of Health** shall adopt rules necessary to imple-
9 ment this section.

10 **SECTION 1479.** ORS 475C.853 is amended to read:

11 475C.853. (1) The Oregon [*Health Authority*] **Department of Health** shall maintain a telephone
12 hotline for the following persons to inquire if an address is the location of a marijuana grow site,
13 marijuana processing site or medical marijuana dispensary or is the proposed location of a
14 marijuana grow site, marijuana processing site or medical marijuana dispensary:

- 15 (a) A person designated by a city or a county;
- 16 (b) A person designated by the Water Resources Department;
- 17 (c) A person designated by the watermaster of any water district; and
- 18 (d) A person designated by the State Department of Agriculture.

19 (2) The [*authority*] **Oregon Department of Health** may disclose the address of a marijuana
20 grow site for purposes of this section notwithstanding ORS 475C.859.

21 **SECTION 1480.** ORS 475C.856 is amended to read:

22 475C.856. (1) The Oregon [*Health Authority*] **Department of Health** shall develop and maintain
23 a database of information related to the production of marijuana by persons designated to produce
24 marijuana by a registry identification cardholder, the processing of marijuana by a marijuana pro-
25 cessing site under ORS 475C.815 and the transfer of usable marijuana, medical cannabinoid products,
26 cannabinoid concentrates and cannabinoid extracts by medical marijuana dispensaries under ORS
27 475C.833. At a minimum, the database must include the information submitted to the [*authority*]
28 **department** under ORS 475C.795, 475C.821 and 475C.843.

29 (2)(a) Subject to paragraph (c) of this subsection, the [*authority*] **department** may provide in-
30 formation that is stored in the database developed and maintained under this section to a law
31 enforcement agency.

32 (b) Subject to paragraph (c) of this subsection, the [*authority*] **department** may provide infor-
33 mation that is stored in the database developed and maintained under this section to the regulatory
34 agencies of a city or county.

35 (c) The [*authority*] **department** may not disclose:

36 (A) Any personally identifiable information related to a registry identification cardholder or a
37 designated primary caregiver that is stored in the database developed and maintained under this
38 section.

39 (B) Any information related to the amount and type of usable marijuana, medical cannabinoid
40 products, cannabinoid concentrates and cannabinoid extracts transferred to or by persons designated
41 to produce marijuana by a registry identification cardholder, marijuana processing sites or medical
42 marijuana dispensaries.

43 (3) Nothing in this section prevents a law enforcement agency from lawfully obtaining informa-
44 tion that is stored in the database developed and maintained under this section by subpoena.

45 **SECTION 1481.** ORS 475C.859 is amended to read:

1 475C.859. (1)(a) The Oregon [*Health Authority*] **Department of Health** shall establish and
2 maintain a list of:

3 (A) The names of persons to whom a registry identification card has been issued under ORS
4 475C.783;

5 (B) The names of persons designated as primary caregivers under ORS 475C.789; and

6 (C) The addresses of marijuana grow sites registered under ORS 475C.792.

7 (b) Except as provided in subsection (2) of this section, the list is confidential and not subject
8 to public disclosure under ORS 192.311 to 192.478.

9 (c) The [*authority*] **department** shall develop a system by which authorized employees of state
10 and local law enforcement agencies may verify that:

11 (A) A person lawfully possesses a registry identification card;

12 (B) A person is the designated primary caregiver of a lawful possessor of a registry identifica-
13 tion card; or

14 (C) A location is a registered marijuana grow site.

15 (2) Names, addresses and other identifying information from the list established and maintained
16 pursuant to subsection (1) of this section may be released to:

17 (a) Authorized employees of the [*authority*] **department** as necessary to perform official duties
18 of the [*authority*] **department**.

19 (b) Authorized employees of state or local law enforcement agencies who provide to the [*au-*
20 *thority*] **department** adequate identification, but only as necessary to verify that:

21 (A) A person lawfully possesses a registry identification card;

22 (B) A person is the designated primary caregiver of a lawful possessor of a registry identifica-
23 tion card; or

24 (C) A location is a registered marijuana grow site.

25 (3) Authorized employees of state or local law enforcement agencies who obtain identifying in-
26 formation as authorized by this section may not release or use the information for any purpose other
27 than to verify that:

28 (a) A person lawfully possesses a registry identification card;

29 (b) A person is the designated primary caregiver of a lawful possessor of a registry identification
30 card; or

31 (c) A location is a registered marijuana grow site.

32 (4) In addition to releasing information to authorized employees of state or local law enforce-
33 ment agencies for purposes of verifying information under subsection (2)(b) of this section, the [*au-*
34 *thority*] **department** may release to authorized employees of state or local law enforcement agencies
35 the minimum amount of information necessary to enable an employee to determine whether an in-
36 dividual or location is in compliance with a provision of ORS 475C.770 to 475C.919 or a rule adopted
37 under ORS 475C.770 to 475C.919.

38 (5) If the [*authority*] **department** determines, after conducting an investigation or receiving a
39 complaint of an alleged violation of a provision of ORS 475C.770 to 475C.919 or a rule adopted under
40 ORS 475C.770 to 475C.919, that a violation of a provision of ORS 475C.770 to 475C.919 or a rule
41 adopted under ORS 475C.770 to 475C.919 has occurred, the [*authority*] **department** may provide in-
42 formation obtained by the [*authority*] **department**, except for information related to a registry
43 identification cardholder's debilitating condition, to authorized employees of state or local law
44 enforcement agencies, or to another state or local government agency with jurisdiction over the
45 matter.

1 **SECTION 1482.** ORS 475C.862 is amended to read:

2 475C.862. (1) Any personally identifiable information, as defined in ORS 432.005, other than a
3 name of an individual or an address submitted with an application under ORS 475C.815 or 475C.833,
4 that the Oregon [*Health Authority*] **Department of Health** collects and maintains for purposes of
5 registering a marijuana grow site under ORS 475C.792, a marijuana processing site under ORS
6 475C.815, or a medical marijuana dispensary under ORS 475C.833, is confidential and not subject to
7 public disclosure under ORS 192.311 to 192.478, except that the [*authority*] **department** may provide
8 personally identifiable information to a person registered under ORS 475C.770 to 475C.919 if the
9 registrant requests the information and the information is related to a designation made under ORS
10 475C.770 to 475C.919.

11 (2) Any personally identifiable information, as defined in ORS 432.005, submitted to the [*author-*
12 *ity*] **department** under ORS 475C.795, 475C.821 or 475C.843 or pursuant to ORS 475C.856 is confi-
13 dential and not subject to public disclosure under ORS 192.311 to 192.478.

14 (3) Any record that the [*authority*] **department** keeps or maintains for purposes related to the
15 installation or maintenance of a security system by a medical marijuana dispensary pursuant to
16 rules adopted under ORS 475C.833 (10) is confidential and not subject to public disclosure under
17 ORS 192.311 to 192.478.

18 **SECTION 1483.** ORS 475C.865 is amended to read:

19 475C.865. Notwithstanding ORS 475C.862, if the Oregon [*Health Authority*] **Department of**
20 **Health** suspends or revokes the registration of the marijuana grow site of a person designated to
21 produce marijuana by a registry identification cardholder, a marijuana processing site or a medical
22 marijuana dispensary, or otherwise takes disciplinary action against the marijuana grow site of a
23 person designated to produce marijuana by a registry identification cardholder, a marijuana pro-
24 cessing site or a medical marijuana dispensary, the [*authority*] **department** shall provide that in-
25 formation to a law enforcement agency.

26 **SECTION 1484.** ORS 475C.868 is amended to read:

27 475C.868. (1) Except as provided in subsection (5) of this section, the Oregon [*Health Authority*]
28 **Department of Health** shall establish, maintain and operate an electronic system for the keeping
29 of information received by the [*authority*] **department** under ORS 475C.783 and 475C.792 or infor-
30 mation included on a registry identification card issued under ORS 475C.783 or on a marijuana grow
31 site registration card issued under ORS 475C.792.

32 (2) The [*authority*] **department** may contract with a state agency or private entity to ensure the
33 effective establishment, maintenance or operation of the electronic system.

34 (3) Except as provided in subsection (4) of this section, information kept in the electronic system
35 is confidential and not subject to public disclosure under ORS 192.311 to 192.478. Except as provided
36 in subsection (4) of this section, the [*authority*] **department** may not disclose the information for any
37 reason.

38 (4) Except as provided in subsection (5) of this section, the [*authority*] **department** shall estab-
39 lish the electronic system in a manner that allows the Oregon Liquor and Cannabis Commission and
40 the Department of Revenue to remotely access the electronic system. Information disclosed to the
41 commission and the Department **of Revenue** under this subsection remains confidential and not
42 subject to public disclosure under ORS 192.311 to 192.478. The commission and the Department **of**
43 **Revenue** may not disclose the information for any reason.

44 (5) The [*authority*] **Oregon Department of Health** is not required to keep in the database, and
45 the commission and the Department **of Revenue** may not access, the following types of information:

1 (a) Information related to the debilitating condition of a registry identification cardholder; or

2 (b) The contact information or address of a registry identification cardholder or a designated
3 primary caregiver, unless the contact information or address are the same as the contact informa-
4 tion or address of a marijuana grow site.

5 (6) The electronic system must be immediately accessible by the commission and the Department
6 of Revenue at all times.

7 **SECTION 1485.** ORS 475C.871 is amended to read:

8 475C.871. (1) The Oregon [*Health Authority*] **Department of Health** shall enter into an agree-
9 ment with the Oregon Liquor and Cannabis Commission under which the commission shall use the
10 system developed and maintained under ORS 475C.177 to track:

11 (a) The propagation of immature marijuana plants and the production of marijuana by marijuana
12 grow sites;

13 (b) The processing of marijuana into medical cannabinoid products, cannabinoid concentrates
14 and cannabinoid extracts that are transferred to a medical marijuana dispensary;

15 (c) The transfer of usable marijuana, immature marijuana plants, medical cannabinoid products,
16 cannabinoid concentrates and cannabinoid extracts by a marijuana grow site or a medical marijuana
17 dispensary to a registry identification cardholder or the designated primary caregiver of a registry
18 identification cardholder; and

19 (d) The transfer of usable marijuana, immature marijuana plants, medical cannabinoid products,
20 cannabinoid concentrates and cannabinoid extracts between marijuana grow sites, marijuana pro-
21 cessing sites and medical marijuana dispensaries.

22 (2) Marijuana grow sites, marijuana processing sites and medical marijuana dispensaries are
23 subject to tracking under this section.

24 (3) On and after the date on which a marijuana grow site becomes subject to tracking under this
25 section, the person is exempt from the requirements of ORS 475C.795 and the provisions of ORS
26 475C.792 that relate to ORS 475C.795.

27 (4) On and after the date on which a marijuana processing site becomes subject to tracking
28 under this section, the marijuana processing site is exempt from the requirements of ORS 475C.821
29 and the provisions of ORS 475C.815 that relate to ORS 475C.821.

30 (5) On and after the date on which a medical marijuana dispensary becomes subject to tracking
31 under this section, the medical marijuana dispensary is exempt from the requirements of ORS
32 475C.843 and the provisions of ORS 475C.833 that relate to ORS 475C.843.

33 (6) The commission may conduct inspections and investigations of alleged violations of ORS
34 475C.770 to 475C.919 about which the commission obtains knowledge as a result of performing the
35 commission's duties under this section. Notwithstanding ORS 475C.301, the commission may use
36 regulatory specialists, as defined in ORS 471.001, to conduct the inspections and investigations, in-
37 cluding inspections and investigations of marijuana grow sites located at a primary residence.

38 (7) When imposing a fee on a person responsible for a marijuana grow site, marijuana processing
39 site or medical marijuana dispensary under ORS 475C.792, 475C.815 or 475C.833, the [*authority*] **de-**
40 **partment** shall impose a fee that is reasonably calculated to pay costs incurred under this section.
41 As part of the agreement entered into under subsection (1) of this section, the [*authority*] **depart-**
42 **ment** shall transfer fee moneys collected pursuant to this subsection to the commission for deposit
43 in the Marijuana Control and Regulation Fund established under ORS 475C.297. Moneys collected
44 pursuant to this subsection and deposited in the Marijuana Control and Regulation Fund are con-
45 tinuously appropriated to the commission for purposes of this section.

1 (8) The *[authority]* **department** and the commission may adopt rules as necessary to administer
2 this section.

3 (9) This section does not apply to a marijuana grow site located at an address where:

4 (a) A registry identification cardholder produces marijuana and no more than 12 mature
5 marijuana plants and 24 immature marijuana plants are produced; or

6 (b)(A) No more than two persons are registered under ORS 475C.792 to produce marijuana; and

7 (B) The address is used to produce marijuana for no more than two registry identification
8 cardholders.

9 **SECTION 1486.** ORS 475C.871, as amended by section 7a, chapter 103, Oregon Laws 2018, sec-
10 tion 38, chapter 456, Oregon Laws 2019, and section 278, chapter 351, Oregon Laws 2021, is amended
11 to read:

12 475C.871. (1) The Oregon *[Health Authority]* **Department of Health** shall enter into an agree-
13 ment with the Oregon Liquor and Cannabis Commission under which the commission shall use the
14 system developed and maintained under ORS 475C.177 to track:

15 (a) The propagation of immature marijuana plants and the production of marijuana by marijuana
16 grow sites;

17 (b) The processing of marijuana into medical cannabinoid products, cannabinoid concentrates
18 and cannabinoid extracts that are transferred to a medical marijuana dispensary;

19 (c) The transfer of usable marijuana, immature marijuana plants, medical cannabinoid products,
20 cannabinoid concentrates and cannabinoid extracts by a marijuana grow site or a medical marijuana
21 dispensary to a registry identification cardholder or the designated primary caregiver of a registry
22 identification cardholder; and

23 (d) The transfer of usable marijuana, immature marijuana plants, medical cannabinoid products,
24 cannabinoid concentrates and cannabinoid extracts between marijuana grow sites, marijuana pro-
25 cessing sites and medical marijuana dispensaries.

26 (2) Marijuana grow sites, marijuana processing sites and medical marijuana dispensaries are
27 subject to tracking under this section.

28 (3) On and after the date on which a marijuana grow site becomes subject to tracking under this
29 section, the person is exempt from the requirements of ORS 475C.795 and the provisions of ORS
30 475C.792 that relate to ORS 475C.795.

31 (4) On and after the date on which a marijuana processing site becomes subject to tracking
32 under this section, the marijuana processing site is exempt from the requirements of ORS 475C.821
33 and the provisions of ORS 475C.815 that relate to ORS 475C.821.

34 (5) On and after the date on which a medical marijuana dispensary becomes subject to tracking
35 under this section, the medical marijuana dispensary is exempt from the requirements of ORS
36 475C.843 and the provisions of ORS 475C.833 that relate to ORS 475C.843.

37 (6) The commission may conduct inspections and investigations of alleged violations of ORS
38 475C.770 to 475C.919 about which the commission obtains knowledge as a result of performing the
39 commission's duties under this section. Notwithstanding ORS 475C.301, the commission may use
40 regulatory specialists, as defined in ORS 471.001, to conduct the inspections and investigations, in-
41 cluding inspections and investigations of marijuana grow sites located at a primary residence.

42 (7) Notwithstanding ORS 475C.726, before making any other distribution from the Oregon
43 Marijuana Account established under ORS 475C.726, the Department of Revenue shall first distrib-
44 ute moneys quarterly from the account to the commission for deposit in the Marijuana Control and
45 Regulation Fund established under ORS 475C.297 for purposes of paying administrative, inspection

1 and investigatory costs incurred by the commission under this section, provided that the amount of
 2 distributed moneys does not exceed \$1.25 million per quarter. For purposes of estimating the amount
 3 of moneys necessary to pay costs incurred under this section, the commission shall establish a
 4 formulary based on expected costs for each marijuana grow site, marijuana processing site or med-
 5 ical marijuana dispensary that is tracked under this section. The commission shall provide to the
 6 Department of Revenue and the Legislative Fiscal Officer before each quarter the estimated amount
 7 of moneys necessary to pay costs expected to be incurred under this section and the formulary.

8 (8) When imposing a fee on a person responsible for a marijuana grow site, marijuana processing
 9 site or medical marijuana dispensary under ORS 475C.792, 475C.815 or 475C.833, the [authority]
 10 **Oregon Department of Health** shall impose an additional fee that is reasonably calculated to pay
 11 costs incurred under this section other than costs paid pursuant to subsection (7) of this section.
 12 As part of the agreement entered into under subsection (1) of this section, the [authority] **Oregon**
 13 **Department of Health** shall transfer fee moneys collected pursuant to this subsection to the com-
 14 mission for deposit in the Marijuana Control and Regulation Fund established under ORS 475C.297.
 15 Moneys collected pursuant to this subsection and deposited in the Marijuana Control and Regulation
 16 Fund are continuously appropriated to the commission for purposes of this section.

17 (9) The [authority] **Oregon Department of Health** and the commission may adopt rules as
 18 necessary to administer this section.

19 (10) This section does not apply to a marijuana grow site located at an address where:

20 (a) A registry identification cardholder produces marijuana and no more than 12 mature
 21 marijuana plants and 24 immature marijuana plants are produced; or

22 (b)(A) No more than two persons are registered under ORS 475C.792 to produce marijuana; and

23 (B) The address is used to produce marijuana for no more than two registry identification
 24 cardholders.

25 **SECTION 1487.** ORS 475C.874 is amended to read:

26 475C.874. (1) A person responsible for a marijuana processing site, or a person responsible for
 27 a medical marijuana dispensary, may designate that responsibility to another person.

28 (2) If a designation is made under this section, the designee must submit to the Oregon [Health
 29 Authority] **Department of Health** proof that the designee meets the requirements and restrictions
 30 set forth in:

31 (a) For marijuana processing sites, ORS 475C.815 (2)(d) and (4); or

32 (b) For medical marijuana dispensaries, ORS 475C.833 (2)(d) and (4).

33 (3) The [authority] **department** may prescribe the form and manner of submitting proof under
 34 subsection (2) of this section.

35 **SECTION 1488.** ORS 475C.877 is amended to read:

36 475C.877. (1) A person responsible for a marijuana processing site, or a person responsible for
 37 a medical marijuana dispensary, may assign that responsibility to another person.

38 (2) If an assignment is made under this section, the assignee must submit to the Oregon [Health
 39 Authority] **Department of Health** proof that the assignee meets the requirements and restrictions
 40 set forth in:

41 (a) For marijuana processing sites, ORS 475C.815 (2)(d) and (4); or

42 (b) For medical marijuana dispensaries, ORS 475C.833 (2)(d) and (4).

43 (3) The [authority] **department** may prescribe the form and manner of submitting proof under
 44 subsection (2) of this section.

45 **SECTION 1489.** ORS 475C.880 is amended to read:

1 475C.880. (1) In the event that a marijuana processing site or a medical marijuana dispensary
2 is foreclosed or otherwise ceases operations as described in ORS chapter 79, a secured party, as
3 defined in ORS 79.0102, may continue operations at the marijuana processing site or medical
4 marijuana dispensary upon submitting to the Oregon [Health Authority] **Department of Health**
5 proof that the secured party or, if the secured party is a business entity, any individual who has a
6 financial interest in the secured party, meets the requirements and restrictions set forth in:

7 (a) For marijuana processing sites, ORS 475C.815 (2)(d) and (4); or

8 (b) For medical marijuana dispensaries, ORS 475C.833 (2)(d) and (4).

9 (2) The [authority] **department** may prescribe the form and manner of submitting proof under
10 subsection (1) of this section.

11 **SECTION 1490.** ORS 475C.883 is amended to read:

12 475C.883. Except as provided in ORS 475C.886, a person engaged in or assisting in the medical
13 use of marijuana is exempt from the criminal laws of this state for possession, delivery or manu-
14 facture of marijuana, aiding and abetting another in the possession, delivery or manufacture of
15 marijuana, or any other criminal offense in which possession, delivery or manufacture of marijuana
16 is an element if:

17 (1) The person holds a registry identification card.

18 (2) The person has applied for a registry identification card under ORS 475C.783 and the person
19 has proof of written documentation described in ORS 475C.783 (2)(a) and proof of the date on which
20 the person submitted the application to the Oregon [Health Authority] **Department of Health**. An
21 exemption under this subsection applies only until the [authority] **department** approves or denies
22 the application.

23 (3) The person is designated as a primary caregiver under ORS 475C.789.

24 (4) The person is responsible for or is employed by a marijuana grow site registered under ORS
25 475C.792.

26 (5) The person owns, is responsible for, or is employed by, a marijuana processing site.

27 (6) The person owns, is responsible for, or is employed by, a medical marijuana dispensary.

28 **SECTION 1491.** ORS 475C.894 is amended to read:

29 475C.894. (1) Registration under ORS 475C.770 to 475C.919 or possession of proof of registration
30 under ORS 475C.770 to 475C.919 does not constitute probable cause to search the person or property
31 of the registrant or otherwise subject the person or property of the registrant to inspection by a
32 government agency. However, the Oregon [Health Authority] **Department of Health** may inspect
33 the marijuana grow site of a person designated to produce marijuana by a registry identification
34 cardholder, a marijuana processing site registered under ORS 475C.815, or a medical marijuana
35 dispensary registered under ORS 475C.833, at any reasonable time to determine whether the person
36 responsible for the marijuana grow site, the person responsible for the marijuana processing site,
37 or the person responsible for the medical marijuana dispensary, is in compliance with ORS 475C.770
38 to 475C.919 and rules adopted under ORS 475C.770 to 475C.919.

39 (2) Any property interest possessed, owned or used in connection with the medical use of
40 marijuana or acts incidental to the medical use of marijuana that has been seized by state or local
41 law enforcement officers may not be harmed, neglected, injured or destroyed while in the possession
42 of a law enforcement agency, except that a law enforcement agency has no responsibility to main-
43 tain live marijuana plants lawfully seized. Such property interest may not be forfeited under any
44 provision of law providing for the forfeiture of property, except pursuant to a sentence imposed after
45 conviction of a criminal offense. Marijuana and equipment or paraphernalia used to produce, process

1 or administer marijuana that was seized by a law enforcement officer shall be returned immediately
2 if the district attorney in whose county the property was seized, or the district attorney's designee,
3 determines that the person from whom the marijuana, equipment or paraphernalia was seized is
4 entitled to the protections provided by ORS 475C.770 to 475C.919. The determination may be evi-
5 denced by a decision not to prosecute, the dismissal of charges or acquittal.

6 **SECTION 1492.** ORS 475C.895 is amended to read:

7 475C.895. (1) In addition to any other liability or penalty provided by law, the Oregon [*Health*
8 *Authority*] **Department of Health** may impose for each violation of a provision of ORS 475C.770 to
9 475C.919, or for each violation of a rule adopted under a provision of ORS 475C.770 to 475C.919, a
10 civil penalty that does not exceed \$500 for each day that the violation occurs.

11 (2) The [*authority*] **department** shall impose civil penalties under this section in the manner
12 provided by ORS 183.745.

13 (3) All moneys collected pursuant to this section shall be deposited in the Oregon [*Health Au-*
14 *thority*] **Department of Health** Fund established under ORS 413.101 and are continuously appro-
15 priated to the [*authority*] **department** for the purpose of carrying out the duties, functions and
16 powers of the [*authority*] **department** under ORS 475C.770 to 475C.919.

17 **SECTION 1493.** ORS 475C.898 is amended to read:

18 475C.898. Upon request the State Department of Agriculture and the Oregon Liquor and
19 Cannabis Commission, pursuant to an agreement or otherwise, shall assist the Oregon [*Health Au-*
20 *thority*] **Department of Health** in implementing and enforcing the provisions of ORS 475C.770 to
21 475C.919 and rules adopted under the provisions of ORS 475C.770 to 475C.919.

22 **SECTION 1494.** ORS 475C.900 is amended to read:

23 475C.900. The Oregon [*Health Authority*] **Department of Health**, the State Department of Ag-
24 riculture and the Oregon Liquor and Cannabis Commission, and the officers, employees and agents
25 of [*the authority*], **each** department and commission, are immune from any cause of action for the
26 performance of, or the failure to perform, duties required by ORS 475C.770 to 475C.919.

27 **SECTION 1495.** ORS 475C.903 is amended to read:

28 475C.903. Subject to any applicable provision of ORS chapter 183, the Oregon [*Health*
29 *Authority*] **Department of Health**, the State Department of Agriculture and the Oregon Liquor and
30 Cannabis Commission may possess, seize or dispose of marijuana, usable marijuana, medical
31 cannabinoid products, cannabinoid concentrates and cannabinoid extracts as is necessary for the
32 [*authority*] **Oregon Department of Health** to ensure compliance with and enforce the provisions
33 of ORS 475C.770 to 475C.919 and any rule adopted under ORS 475C.770 to 475C.919.

34 **SECTION 1496.** ORS 475C.913 is amended to read:

35 475C.913. Any person may petition the Oregon [*Health Authority*] **Department of Health** to
36 request that a disease or condition be included among the diseases and conditions that qualify as
37 debilitating medical conditions under ORS 475C.770 to 475C.919. The [*authority*] **department** shall
38 adopt rules establishing the procedure for filing a petition under this section and the manner by
39 which the [*authority*] **department** evaluates a request made under this section. Rules adopted under
40 this section must require the [*authority*] **department** to approve or deny a petition within 180 days
41 of receiving the petition. Denial of a petition is a final agency action subject to judicial review.

42 **SECTION 1497.** ORS 475C.919 is amended to read:

43 475C.919. (1) The Oregon [*Health Authority*] **Department of Health** shall adopt rules necessary
44 for the implementation, administration and enforcement of ORS 475C.770 to 475C.919.

45 (2) The [*authority*] **department** may adopt rules as the [*authority*] **department** considers nec-

1 essary to protect the public health and safety.

2 **SECTION 1498.** ORS 475C.930 is amended to read:

3 475C.930. (1) The Oregon Cannabis Commission is established within the Oregon [*Health Au-*
4 *thority*] **Department of Health**. The commission consists of:

5 (a) The Public Health Officer or the Public Health Officer's designee; and

6 (b) Eight members appointed by the Governor as follows:

7 (A) A registry identification cardholder, as defined in ORS 475C.777;

8 (B) A person designated to produce marijuana by a registry identification cardholder, as defined
9 in ORS 475C.777;

10 (C) An attending provider, as defined in ORS 475C.777;

11 (D) A person representing the Oregon [*Health Authority*] **Department of Health**;

12 (E) A person representing the Oregon Liquor and Cannabis Commission;

13 (F) A local health officer, as described in ORS 431.418;

14 (G) A law enforcement officer; and

15 (H) A person knowledgeable about research proposal grant protocols.

16 (2) The term of office of each member of the commission is four years, but a member serves at
17 the pleasure of the Governor. Before the expiration of the term of a member, the Governor shall
18 appoint a successor whose term begins on January 1 of the following year. A member is eligible for
19 reappointment. If there is a vacancy for any cause, the Governor shall make an appointment to be-
20 come immediately effective for the unexpired term.

21 (3) The appointment of each member of the commission is subject to confirmation by the Senate
22 in the manner prescribed in ORS 171.562 and 171.565.

23 (4) Members of the commission are not entitled to compensation, but may be reimbursed for
24 actual and necessary travel and other expenses incurred by them in the performance of their official
25 duties in the manner and amounts provided for in ORS 292.495.

26 **SECTION 1499.** ORS 475C.936 is amended to read:

27 475C.936. The Oregon [*Health Authority*] **Department of Health** shall provide staff support to
28 the Oregon Cannabis Commission and shall perform other services as necessary for the effective
29 operation of the commission.

30 **SECTION 1500.** ORS 475C.939 is amended to read:

31 475C.939. In addition to any other duty prescribed by law, the Oregon Cannabis Commission
32 shall:

33 (1) Provide advice to the Oregon [*Health Authority*] **Department of Health** with respect to the
34 administration of ORS 475C.770 to 475C.919;

35 (2) Provide advice to the Oregon Liquor and Cannabis Commission with respect to the adminis-
36 tration of ORS 475C.005 to 475C.525, insofar as those statutes pertain to registry identification
37 cardholders and designated primary caregivers, as those terms are defined in ORS 475C.777;

38 (3) Develop a long-term strategic plan for ensuring that cannabis will remain a therapeutic op-
39 tion for persons with debilitating medical conditions as defined in ORS 475C.777;

40 (4) Develop a long-term strategic plan for ensuring that cannabis will remain affordable for
41 persons with debilitating medical conditions as defined in ORS 475C.777; and

42 (5) Monitor and study federal laws, regulations and policies regarding marijuana.

43 **SECTION 1501.** ORS 475C.950 is amended to read:

44 475C.950. (1) The governing body of a city or county may adopt ordinances to be referred to the
45 electors of the city or county as described in subsection (2) of this section that prohibit or allow the

1 establishment of any one or more of the following in the area subject to the jurisdiction of the city
2 or in the unincorporated area subject to the jurisdiction of the county:

3 (a) Marijuana processing sites registered under ORS 475C.815;

4 (b) Medical marijuana dispensaries registered under ORS 475C.833;

5 (c) Marijuana producers that hold a license issued under ORS 475C.065;

6 (d) Marijuana processors that hold a license issued under ORS 475C.085;

7 (e) Marijuana wholesalers that hold a license issued under ORS 475C.093;

8 (f) Marijuana retailers that hold a license issued under ORS 475C.097;

9 (g) Marijuana producers that hold a license issued under ORS 475C.065 and that the Oregon
10 Liquor and Cannabis Commission has designated as an exclusively medical licensee under ORS
11 475C.121;

12 (h) Marijuana processors that hold a license issued under ORS 475C.085 and that the commission
13 has designated as an exclusively medical licensee under ORS 475C.125;

14 (i) Marijuana wholesalers that hold a license issued under ORS 475C.093 and that the commis-
15 sion has designated as an exclusively medical licensee under ORS 475C.129;

16 (j) Marijuana retailers that hold a license issued under ORS 475C.097 and that the commission
17 has designated as an exclusively medical licensee under ORS 475C.133; or

18 (k) Any combination of the entities described in this subsection.

19 (2) If the governing body of a city or county adopts an ordinance under this section, the gov-
20 erning body shall submit the measure of the ordinance to the electors of the city or county for ap-
21 proval at the next statewide general election.

22 (3) If the governing body of a city or county adopts an ordinance under this section, the gov-
23 erning body must provide the text of the ordinance:

24 (a) To the Oregon [*Health Authority*] **Department of Health**, in a form and manner prescribed
25 by the [*authority*] **department**, if the ordinance concerns a medical marijuana dispensary registered
26 under ORS 475C.833 or a marijuana processing site registered under ORS 475C.815; or

27 (b) To the commission, if the ordinance concerns a premises for which a license has been issued
28 under ORS 475C.005 to 475C.525.

29 (4)(a) Upon receiving notice of a prohibition under subsection (3) of this section, the [*authority*]
30 **department** shall discontinue registering those entities to which the prohibition applies until the
31 date of the next statewide general election.

32 (b) Upon receiving notice of a prohibition under subsection (3) of this section, the commission
33 shall discontinue licensing those premises to which the prohibition applies until the date of the next
34 statewide general election.

35 (5)(a) If an allowance is approved at the next statewide general election under subsection (2)
36 of this section, and the allowance concerns an entity described in subsection (1)(a) or (b) of this
37 section, the [*authority*] **department** shall begin registering the entity to which the allowance applies
38 on the first business day of the January immediately following the date of the statewide general
39 election.

40 (b) If an allowance is approved at the next statewide general election under subsection (2) of
41 this section, and the allowance concerns an entity described in subsection (1)(c) to (j) of this section,
42 the commission shall begin licensing the premises to which the allowance applies on the first busi-
43 ness day of the January immediately following the date of the next statewide general election.

44 (6) If the electors of a city or county approve an ordinance prohibiting or allowing an entity
45 described in subsection (1)(a), (b) or (g) to (j) of this section, the governing body of the city or county

1 may amend the ordinance, without referring the amendment to the electors of the city or county,
 2 to prohibit or allow any other entity described in subsection (1)(a), (b) or (g) to (j) of this section.

3 (7) Notwithstanding any other provisions of law, a city or county that adopts an ordinance under
 4 this section that prohibits the establishment of an entity described in subsection (1) of this section
 5 may not impose a tax or fee on the production, processing or sale of marijuana or any product into
 6 which marijuana has been incorporated.

7 (8) Notwithstanding subsection (1) of this section, a medical marijuana dispensary is not subject
 8 to an ordinance adopted under this section if the medical marijuana dispensary:

9 (a) Is registered under ORS 475C.833 on or before the date on which the governing body adopts
 10 the ordinance; and

11 (b) Has successfully completed a city or county land use application process.

12 (9) Notwithstanding subsection (1) of this section, a marijuana processing site is not subject to
 13 an ordinance adopted under this section if the marijuana processing site:

14 (a) Is registered under ORS 475C.815 on or before the date on which the governing body adopts
 15 the ordinance; and

16 (b) Has successfully completed a city or county land use application process.

17 **SECTION 1502.** ORS 476.030 is amended to read:

18 476.030. (1) The State Fire Marshal shall enforce all statutes, and make rules relating to:

19 (a) The prevention of fires.

20 (b) The storage and use of combustibles and explosives.

21 (c) The maintenance and regulation of structural fire safety features in occupied structures and
 22 overseeing the safety of and directing the means and adequacy of exit in case of fire from factories,
 23 asylums, hospitals, churches, schools, halls, theaters, amphitheaters, all buildings, except private
 24 residences, which are occupied for sleeping purposes, and all other places where large numbers of
 25 persons work, live or congregate from time to time for any purpose except that structural changes
 26 shall not be required in buildings built, occupied and maintained in conformity with state building
 27 code regulations applicable at the time of construction.

28 (d) Standards for equipment used for fire protection purposes within this state including stand-
 29 ard thread for fire hose couplings and hydrant fittings.

30 (2) The State Fire Marshal and deputies shall have such powers and perform such other duties
 31 as are prescribed by law.

32 (3) If, in the opinion of the State Fire Marshal, a governmental subdivision of the state has en-
 33 acted adequate regulations generally conforming to state and national standards concerning fire
 34 prevention, fire safety measures and building construction requirements for safety, and if the gov-
 35 ernmental subdivision provides reasonable enforcement of its regulations, the State Fire Marshal
 36 may exempt the area subject to such regulation either partially or fully from the statutes, rules and
 37 regulations administered by the State Fire Marshal. Prior to adoption of any such exemption, the
 38 State Fire Marshal may request from the Department of Public Safety Standards and Training con-
 39 sideration of and recommendations regarding the exemption. The exemption may extend for a two-
 40 year period, and may be renewed from time to time, but may be canceled by the State Fire Marshal
 41 following 30 days' written notice if the State Fire Marshal finds that the governmental subdivision's
 42 regulations or enforcement thereof are not reasonably sufficient. The governmental subdivision shall
 43 furnish a copy of such regulations to the State Fire Marshal and shall file with the State Fire
 44 Marshal any amendment thereto within 30 days before the effective date of such amendment. The
 45 State Fire Marshal shall designate a person or division within such governmental subdivision as an

1 approved authority for exercising functions relating to fire prevention, fire safety measures and
2 building construction. Upon request of a local official having enforcement responsibility and a
3 showing of unusual fire hazard or other special circumstances, the State Fire Marshal shall make
4 investigation and appropriate recommendations.

5 (4) The State Fire Marshal may investigate or cause an investigation to be made to determine
6 the probable cause, origin and circumstances of any fire and shall classify such findings as the State
7 Fire Marshal may find appropriate to promote fire protection and prevention.

8 (5) The State Fire Marshal shall provide training in fire safety inspection to the Department of
9 Human Services, area agencies, the Oregon [*Health Authority*] **Department of Health**, community
10 mental health programs, developmental disabilities programs and designees of the Long Term Care
11 Ombudsman and the Residential Facilities Ombudsman. If an adult foster home has been inspected
12 by the Department of Human Services, the Oregon [*Health Authority*] **Department of Health**, an
13 area agency, a community mental health program or a developmental disabilities program and the
14 agency conducting the inspection reasonably believes that the adult foster home is not in compliance
15 with applicable fire safety rules, the agency conducting the inspection may request the State Fire
16 Marshal to inspect or cause an inspection to be made. If a designee of the Long Term Care Om-
17 budsman or the Residential Facilities Ombudsman, in the course of visiting an adult foster home,
18 believes that the adult foster home is not in compliance with applicable fire safety rules, the
19 designee shall report the problem to the appropriate agency to request a fire safety inspection by
20 the State Fire Marshal or by a designated representative of the State Fire Marshal.

21 (6) Upon the request of the Department of Human Services, the Oregon [*Health Authority*] **De-**
22 **partment of Health**, an area agency, a community mental health program or a developmental dis-
23 abilities program, the State Fire Marshal shall inspect or cause an inspection to be made to
24 determine if the adult foster home is in compliance with rules jointly adopted by the Department
25 of Human Services and the State Fire Marshal establishing fire safety standards for adult foster
26 homes.

27 (7) As used in subsections (5) and (6) of this section:

28 (a) "Adult foster home" has the meaning given that term in ORS 443.705.

29 (b) "Area agency" has the meaning given that term in ORS 410.040.

30 (c) "Community mental health program" means a program established under ORS 430.620 (1)(b).

31 (d) "Developmental disabilities program" means a program established under ORS 430.620 (1)(a).

32 **SECTION 1503.** ORS 478.260 is amended to read:

33 478.260. (1) The district board shall select a fire chief qualified by actual experience as a fire-
34 fighter and person who is trained in fire prevention, or otherwise, and assistants, volunteer or oth-
35 erwise, and fix their compensation. The fire chief shall be responsible for the equipment and
36 properties of the district. Under the direction of the board, the fire chief shall be responsible for the
37 conduct of the fire department.

38 (2) The board, with advice and counsel of the fire chief, shall select the location of the fire house
39 or houses or headquarters of the fire department of the district. Such sites shall be chosen with a
40 view to the best service to the residents and properties of the whole district and may be acquired
41 by purchase or exercise of the powers of eminent domain in the manner provided by ORS chapter
42 35. The board may purchase apparatus and equipment as needed by the district, and provide a water
43 system, ponds or reservoirs for the storage of water for fire-fighting purposes. Or the board may
44 contract with water companies or districts, or both, for water service and facilities at a rate of
45 compensation mutually agreed upon. The board also may divide the district into zones or subdi-

visions and provide an adequate system or code of fire alarms or signals by telephone, bell, whistle, siren or other means of communication.

(3) A district may:

(a) Acquire real property or an easement, by purchase or other voluntary agreement, for the purpose of establishing a fire evacuation route.

(b) Construct or maintain a fire evacuation route on property:

(A) Owned by the district or over which the district has an easement for the purpose of a fire evacuation route; or

(B) Owned by a person or governmental entity or over which a person or governmental entity has an easement for the purpose of a fire evacuation route, with authorization from the person or governmental entity.

(c) Participate in an agreement related to the construction, maintenance or use of a fire evacuation route.

(4) A district may operate or acquire and operate, or contract for the operation of, emergency medical service equipment and vehicles both within and without the boundaries of the district. A district may conduct ambulance operations only in conformance with a county plan adopted under ORS 682.062 for ambulance services and ambulance service areas and with rules of the Oregon [Health Authority] **Department of Health** relating to such services and service areas. Service authorized under a county plan includes authorization for a district to provide ambulance services by intergovernmental agreement with any other unit of local government designated by the plan to provide ambulance services.

(5) As used in this section, “ambulance services” has the meaning given that term in ORS 682.027.

SECTION 1504. ORS 479.215 is amended to read:

479.215. (1) Except as provided in subsection (3) of this section or in ORS 479.217, the Department of Human Services or the Oregon [Health Authority] **Department of Health** may not issue an initial license or an initial certificate of approval to any institution when the State Fire Marshal, or an approved representative as provided in subsection (3) of this section, notifies in writing that the institution is not in substantial compliance with all applicable laws and rules relating to safety from fire established pursuant to ORS 476.030.

(2) On January 1st of each year or as soon thereafter as practicable, the [department and the authority] **Department of Human Services and the Oregon Department of Health** shall furnish the State Fire Marshal with a complete list of all institutions licensed or approved by the [department or the authority] **each department** within the State of Oregon.

(3) The State Fire Marshal, deputy or the approved authority shall make or have made at least once each year an inspection of any such licensed or approved institution to determine its substantial compliance with the laws and rules as provided in subsection (1) of this section. If any required corrective measures are not completed within the reasonable time fixed or an extension thereof made by order of the inspecting authority, the Department **of Human Services** or the Oregon [Health Authority] **Department of Health** shall be notified of the fact of noncompliance and appropriate action shall be initiated in accordance with provisions of ORS 476.030 and 479.170. Except as provided in ORS 479.217, if, at any time, the State Fire Marshal, or deputy, or the approved authority notifies the Department **of Human Services** or the Oregon [Health Authority] **Department of Health** in writing that an institution is not in substantial compliance with all applicable laws and rules as provided in subsection (1) of this section, the licensing agency shall deny, withhold, suspend

1 or revoke the license or certificate of approval of the institution.

2 (4) When an area has been exempted by the State Fire Marshal under ORS 476.030, certification,
 3 annual inspection and notification of noncompliance when appropriate, shall be made and performed
 4 by the approved authority of the governmental subdivision having jurisdiction in such area.

5 **SECTION 1505.** ORS 480.225 is amended to read:

6 480.225. (1) A person is eligible for a certificate of possession under ORS 480.235 if:

7 (a) The person has not been convicted, or found guilty except for insanity under ORS 161.295,
 8 of a misdemeanor involving violence, as defined in ORS 166.470, within the previous four years. A
 9 person who has been so convicted is eligible under this subsection following the expiration of seven
 10 years after the date of final and unconditional discharge from all imprisonment, probation and parole
 11 resulting from the conviction.

12 (b) The person has not been convicted, or found guilty except for insanity under ORS 161.295,
 13 of, and is not under indictment for, any felony.

14 (c) The person is not a fugitive from justice, has no outstanding warrants for arrest and is not
 15 free on any form of pretrial release for any offenses listed in paragraphs (a) and (b) of this sub-
 16 section.

17 (d) The person has not been determined to be a person with mental illness under ORS 426.130
 18 or to have an intellectual disability under ORS 427.290. A person who previously has been so de-
 19 termined is eligible under this subsection if, at the time of application for such a certificate, the
 20 person produces a certified copy of a full discharge from the proper state hospital. The Oregon
 21 [Health Authority] **Department of Health** shall provide the State Fire Marshal with direct elec-
 22 tronic access to the [authority's] **department's** database of information identifying persons meeting
 23 the criteria of this section who were committed or subject to an order under ORS 426.130. The State
 24 Fire Marshal and the [authority] **department** shall enter into an agreement describing the access
 25 to information under this subsection.

26 (e) The person is at least 21 years of age.

27 (f) The person does not use a fictitious name or make a material misrepresentation in applica-
 28 tion for such a certificate.

29 (g)(A) The person has not been convicted of, and is not under indictment for, a criminal offense
 30 involving a controlled substance as defined in ORS 475.005, other than the offense of driving under
 31 the influence of intoxicants.

32 (B) Notwithstanding subparagraph (A) of this paragraph, a person who has had a certificate
 33 denied or revoked due to conviction of a criminal offense involving a controlled substance is eligible
 34 under this section following the expiration of seven years after the date of final and unconditional
 35 discharge from all imprisonment, probation and parole resulting from the conviction.

36 (h) The person has been discharged from the jurisdiction of the juvenile court for more than four
 37 years for an act that, if committed by an adult, would constitute a felony or a misdemeanor involv-
 38 ing violence, as defined in ORS 166.470.

39 (i) The person is not the subject of a restraining order that alleges the person's possession of
 40 explosives presents a credible threat to another person.

41 (j) The person has passed an examination administered by the State Fire Marshal that assesses
 42 the person's knowledge of safety in the transportation and storage of explosives as required under
 43 federal and state laws and regulations pertaining to explosives. The State Fire Marshal shall ex-
 44 amine each applicant prior to issuance of a certificate of possession to the applicant. The State Fire
 45 Marshal may by rule establish and collect an examination fee in an amount necessary to cover the

1 cost of administering the examination.

2 (k) The person certifies on the application for a certificate of possession that all explosives in
 3 the person's possession will be used, stored and transported in accordance with federal, state and
 4 local requirements.

5 (L) The person certifies that all explosives will be possessed, used, stored and transported in
 6 accordance with federal, state and local requirements.

7 (2) Subsection (1)(a) and (b) of this section does not apply to a conviction or indictment that has
 8 been expunged from a person's record under the laws of this state or equivalent laws of another
 9 jurisdiction.

10 **SECTION 1506.** ORS 497.162 is amended to read:

11 497.162. (1) Upon application of the Oregon Youth Authority, the Oregon [*Health Authority*]
 12 **Department of Health** or the Department of Human Services, the State Fish and Wildlife Com-
 13 mission shall issue, without fee, a license to angle for the temporary use of any person in a state
 14 institution as described in ORS 179.610, any student in a youth correction facility or related camps
 15 or programs operated by the Oregon Youth Authority, any child placed by the Department of **Hu-**
 16 **man Services** and under the care of a foster home or a child-caring agency licensed, certified or
 17 otherwise authorized by the Department of **Human Services** under ORS 418.205 to 418.327, any
 18 person in an alternative to state hospitalization program as described in ORS 430.630 (2)(b) or (c),
 19 or any person receiving services from a community developmental disabilities program under ORS
 20 430.620 (1)(a) or (c). The licenses issued under this subsection shall be in bearer form and, subject
 21 to applicable laws and regulations relating to angling, shall be used as the agency applying for the
 22 license directs.

23 (2) Upon application of the Department of Human Services, the commission shall issue, without
 24 fee, a license to take shellfish for the temporary use of any child placed by the department and un-
 25 der the care of a foster home or a child-caring agency licensed, certified or otherwise authorized
 26 by the department under ORS 418.205 to 418.327. The licenses issued under this subsection shall be
 27 in bearer form and, subject to applicable laws and regulations relating to taking shellfish, shall be
 28 used as the department directs.

29 (3) Upon application of the director of any veteran's administration hospital or domiciliary
 30 within this state, the commission shall issue, without fee, to each hospital or domiciliary 30 licenses
 31 to angle or to take shellfish for the temporary use of any person who is a patient or resident in the
 32 hospital or domiciliary. The licenses issued under this subsection shall be in bearer form and, sub-
 33 ject to applicable laws and regulations relating to angling and to taking shellfish, shall be used as
 34 the director of the hospital or domiciliary provides.

35 (4) The commission may adopt rules for the administration and enforcement of this section.

36 **SECTION 1507.** ORS 526.294 is amended to read:

37 526.294. (1) The State Forestry Department may adopt rules establishing health and safety
 38 standards for large commercial events held on state forestlands. The department shall consult with
 39 the Oregon [*Health Authority*] **Department of Health** and the Department of Environmental Quality
 40 prior to establishing health and safety standards under this section. The State Forestry Department
 41 shall design the standards to protect the health of state forestlands, the viability of state forestlands
 42 as a public resource, the well-being of fish and wildlife and the health and safety of persons on state
 43 forestlands. The standards may address matters that include, but need not be limited to:

44 (a) Alcohol consumption;

45 (b) Buffer zones between large commercial events and ecologically sensitive areas;

- 1 (c) Buffer zones between large commercial events and known cultural resources;
- 2 (d) Buffer zones between large commercial events and forest practices as defined in ORS 527.620;
- 3 (e) Crowd and traffic control;
- 4 (f) Fire and flammable material use;
- 5 (g) Insurance and bonding;
- 6 (h) Lighting;
- 7 (i) Noise levels and hours; and
- 8 (j) Sanitation.

9 (2) The **State Forestry** Department shall include applicable health and safety standards in the
 10 terms and conditions of any large commercial event permit issued under ORS 526.291.

11 **SECTION 1508.** ORS 527.710 is amended to read:

12 527.710. (1) In carrying out the purposes of ORS 527.610 to 527.770, 527.990 (1) and 527.992, the
 13 State Board of Forestry shall adopt, in accordance with applicable provisions of ORS chapter 183,
 14 rules to be administered by the State Forester establishing standards for forest practices in each
 15 region or subregion.

16 (2) The rules shall ensure the continuous growing and harvesting of forest tree species. Con-
 17 sistent with ORS 527.630, the rules shall provide for the overall maintenance of the following re-
 18 sources:

- 19 (a) Air quality;
- 20 (b) Water resources, including but not limited to sources of domestic drinking water;
- 21 (c) Soil productivity; and
- 22 (d) Fish and wildlife.

23 (3)(a) In addition to its rulemaking responsibilities under subsection (2) of this section, the board
 24 shall collect and analyze the best available information and establish inventories of the following
 25 resource sites needing protection:

- 26 (A) Threatened and endangered fish and wildlife species identified on lists that are adopted, by
 27 rule, by the State Fish and Wildlife Commission or are federally listed under the Endangered Species
 28 Act of 1973 as amended;
- 29 (B) Sensitive bird nesting, roosting and watering sites;
- 30 (C) Biological sites that are ecologically and scientifically significant; and
- 31 (D) Significant wetlands.

32 (b) The board shall determine whether forest practices would conflict with resource sites in the
 33 inventories required by paragraph (a) of this subsection. If the board determines that one or more
 34 forest practices would conflict with resource sites in the inventory, the board shall consider the
 35 consequences of the conflicting uses and determine appropriate levels of protection.

36 (c) Based upon the analysis required by paragraph (b) of this subsection, and consistent with the
 37 policies of ORS 527.630, the board shall adopt rules appropriate to protect resource sites in the in-
 38 ventories required by paragraph (a) of this subsection.

39 (4) Before adopting rules under subsection (1) of this section, the board shall consult with other
 40 agencies of this state or any of its political subdivisions that have functions with respect to the
 41 purposes specified in ORS 527.630 or programs affected by forest operations. Agencies and programs
 42 subject to consultation under this subsection include, but are not limited to:

- 43 (a) Air and water pollution programs administered by the Department of Environmental Quality
 44 under ORS chapters 468A and 468B and ORS 477.013 and 477.515 to 477.532;
- 45 (b) Mining operation programs administered by the Department of Geology and Mineral Indus-

1 tries under ORS 516.010 to 516.130 and ORS chapter 517;

2 (c) Game fish and wildlife, commercial fishing, licensing and wildlife and bird refuge tax incen-
3 tive programs administered by the State Department of Fish and Wildlife under ORS 272.060 and
4 ORS chapters 496, 498, 501, 506 and 509;

5 (d) Park land, Willamette River Greenway, scenic waterway and recreation trail programs ad-
6 ministered by the State Parks and Recreation Department under ORS 358.480 to 358.545, 390.310 to
7 390.368, 390.805 to 390.925, 390.950 to 390.989 and 390.121;

8 (e) The programs administered by the Columbia River Gorge Commission under Public Law
9 99-663 and ORS 196.110 and 196.150;

10 (f) Removal and fill programs administered by the Department of State Lands under ORS 196.800
11 to 196.900;

12 (g) Federal Safe Drinking Water Act programs administered by the Oregon [*Health Authority*]
13 **Department of Health** under ORS 448.273 to 448.990;

14 (h) Conservation and conservation tax incentive programs administered by the State Parks and
15 Recreation Department under ORS 273.563 to 273.591;

16 (i) Open space land tax incentive programs administered by cities and counties under ORS
17 308A.300 to 308A.330;

18 (j) Water resources programs administered by the Water Resources Department under ORS
19 536.220 to 536.540; and

20 (k) Pesticide control programs administered by the State Department of Agriculture under ORS
21 chapter 634.

22 (5) In carrying out the provisions of subsection (4) of this section, the board shall consider and
23 accommodate the rules and programs of other agencies to the extent deemed by the board to be
24 appropriate and consistent with the purposes of ORS 527.630.

25 (6) The board shall adopt rules to meet the purposes of another agency's regulatory program
26 where it is the intent of the board to administer the other agency's program on forestland and where
27 the other agency concurs by rule. An operation performed in compliance with the board's rules shall
28 be deemed to comply with the other agency's program.

29 (7)(a) The board may enter into cooperative agreements or contracts necessary in carrying out
30 the purposes specified in ORS 527.630.

31 (b) The State Forestry Department shall enter into agreements with appropriate state agencies
32 for joint monitoring of the effectiveness of forest practice rules in protecting forest resources and
33 water quality.

34 (8) If, based upon the study completed pursuant to section 15 (2)(f), chapter 919, Oregon Laws
35 1991, the board determines that additional rules are necessary to protect forest resources pursuant
36 to ORS 527.630, the board shall adopt forest practice rules that reduce to the degree practicable the
37 adverse impacts of cumulative effects of forest practices on air and water quality, soil productivity,
38 fish and wildlife resources and watersheds. Such rules shall include a process for determining areas
39 where adverse impacts from cumulative effects have occurred or are likely to occur, and may re-
40 quire that a written plan be submitted for harvests in such areas.

41 (9)(a) The State Forester, in cooperation with the State Department of Fish and Wildlife, shall
42 identify streams for which restoration of habitat would be environmentally beneficial. The State
43 Forester shall select as a priority those streams where restoration efforts will provide the greatest
44 benefits to fish and wildlife, and to streambank and streambed stability.

45 (b) For those streams identified in paragraph (a) of this subsection, the State Forester shall en-

1 courage landowners to enter into cooperative agreements with appropriate state agencies for con-
2 duct of restoration activities.

3 (c) The board, in consultation with appropriate state agencies, shall study and identify methods
4 for restoring or enhancing fish and wildlife populations through restoration and rehabilitation of
5 sites beneficial to fish and wildlife.

6 (d) The board shall adopt rules to implement the findings of this subsection.

7 (10) In addition to its responsibilities under subsections (1) to (3) of this section, the board shall
8 adopt rules to reduce the risk of serious bodily injury or death caused by a rapidly moving landslide
9 directly related to forest practices. The rules shall consider the exposure of the public to these
10 safety risks and shall include appropriate practices designed to reduce the occurrence, timing or
11 effects of rapidly moving landslides. As used in this subsection, "rapidly moving landslide" has the
12 meaning given that term in ORS 195.250.

13 **SECTION 1509.** ORS 537.532 is amended to read:

14 537.532. (1) Notwithstanding any other provision of law, the injection into aquifers of water that
15 complies with drinking water standards established by the Oregon [*Health Authority*] **Department**
16 **of Health** under ORS 448.273 under an aquifer storage and recovery limited license or permit:

17 (a) Shall not be considered a waste, contaminant or pollutant;

18 (b) Shall be exempt from the requirement to obtain a discharge permit under ORS 468B.050 or
19 468B.053 or a concentration limit variance from the Department of Environmental Quality;

20 (c) Shall comply with all other applicable local, state or federal laws; and

21 (d) May be located within or outside an urban growth boundary in conformance with land use
22 laws.

23 (2) In order to continue to protect the high quality of Oregon's aquifers for present and future
24 uses, the Legislative Assembly recognizes the need to minimize concentrations of constituents in the
25 injection source water that are not naturally present in the aquifer. Each aquifer storage and re-
26 covery limited license or permit shall include conditions to minimize, to the extent technically fea-
27 sible, practical and cost-effective, the concentration of constituents in the injection source water
28 that are not naturally present in the aquifer. In no case may an aquifer storage and recovery limited
29 license or permit establish concentration limits for water to be injected in excess of the standards
30 established by the [*authority*] **Oregon Department of Health** under ORS 448.273 or the maximum
31 measurable levels established by the Environmental Quality Commission under ORS 468B.165,
32 whichever are more stringent.

33 (3) Except as otherwise provided, if the injection source water contains constituents regulated
34 under ORS 448.273 or 468B.165 that are detected at greater than 50 percent of the established levels,
35 the aquifer storage and recovery limited license or permit may require the permittee to employ, or
36 continue the employment of, technically feasible, practical and cost-effective methods to minimize
37 concentrations of such constituents in the injection source water. Constituents that have a second-
38 ary maximum contaminant level or constituents that are associated with disinfection of the water
39 may be injected into the aquifer up to the standards established under ORS 448.273.

40 (4) The Water Resources Department may, based upon valid scientific data, further limit certain
41 constituents in the injection source water if the department finds the constituents will interfere with
42 or pose a threat to the maintenance of the water resources of the state for present or future bene-
43 ficial uses.

44 **SECTION 1510.** ORS 537.534 is amended to read:

45 537.534. (1) In accordance with this section, the Water Resources Commission shall establish

1 rules for the permitting and administration of aquifer storage and recovery projects. The rules shall
2 establish the Water Resources Department as the sole permitting agency for the projects, but the
3 Department of Environmental Quality and the Oregon [*Health Authority*] **Department of Health**
4 may comment on permits for a project and recommend conditions to be included on the permit.
5 When necessary, the applicant also shall obtain land use and development approval from a local
6 government.

7 (2) Notwithstanding the provisions of ORS 537.130, the Water Resources Commission shall es-
8 tablish by rule a procedure to allow a person to obtain a limited license to store and use water in-
9 jected into an underground aquifer for aquifer storage and recovery testing purposes for a short
10 term or fixed duration after the person complies with the notice provision set forth in ORS 537.144.
11 The rules shall provide a 30-day public comment period before issuance of a limited license. The
12 Water Resources Department may attach conditions to the limited license regarding monitoring,
13 sampling and rates of recovery up to 100 percent of the injection quantity. Aquifer storage and re-
14 covery under a limited license may be conditioned by the Water Resources Department to protect
15 existing ground water rights that rely upon the receiving aquifer and the injection source water.
16 The Water Resources Department may revoke or modify the limited license to use the stored water
17 acquired under a limited license if that use causes injury to any other water right or to a minimum
18 perennial streamflow. The Water Resources Director may issue a limited license for aquifer storage
19 and recovery purposes for a term of not more than five years. The license may be renewed if the
20 applicant demonstrates further testing is necessary.

21 (3) To obtain a limited license for aquifer storage and recovery, the applicant shall provide to
22 the Water Resources Department:

23 (a) Well construction information;

24 (b) Test results of the quality of the injection source water;

25 (c) Test results of the quality of the receiving aquifer water;

26 (d) The proposed injected water storage time, recovery rates and recovery schedule;

27 (e) Preliminary hydrogeologic information including a description of the aquifer, estimated flow
28 direction and rate of movement, allocation of surface water, springs or wells within the area affected
29 by aquifer storage and recovery wells;

30 (f) The fee established by rule by the commission pursuant to ORS 536.050 (1)(L); and

31 (g) Any other information required by rule of the commission.

32 (4) Only after completion of a test program under a limited license issued under subsection (3)
33 of this section may the applicant apply for a permanent aquifer storage and recovery permit. Each
34 application for an aquifer storage and recovery permit shall be accompanied by the fee set forth in
35 ORS 536.050 for examination of an application for a permit to store water. The Water Resources
36 Department shall be the sole permitting agency for the project and may place conditions on the
37 permit consistent with rules adopted by the commission, but the Department of Environmental
38 Quality and the Oregon [*Health Authority*] **Department of Health** may review, comment on and
39 recommend conditions to be included on the permit. When necessary, the applicant shall obtain land
40 use and development approval from a local government. Where existing water rights for the in-
41 jection source water have been issued, the Water Resources Department shall receive comments
42 from interested parties or agencies, but the public interest review standards shall apply only to the
43 matters raised by the aquifer storage and recovery permit application in the same manner as any
44 new water right application, not to the underlying water rights. If new water rights for injection
45 source water and aquifer storage and recovery are necessary, then the public interest review stan-

1 dards shall apply to the new permit application in the same manner as any new water right appli-
2 cation. The Water Resources Director may refer policy matters to the commission for decision.

3 (5) The commission shall adopt rules consistent with this section to implement an aquifer stor-
4 age and recovery program. The rules shall include:

5 (a) Requirements for reporting and monitoring the aquifer storage and recovery project aquifer
6 impacts and for constituents reasonably expected to be found in the injection source water.

7 (b) Provisions that allow any person operating an aquifer storage and recovery project under a
8 permit, upon approval by the Water Resources Department, to recover up to 100 percent of the
9 water stored in the aquifer storage facility if valid scientific data gathered during operations under
10 the limited license or permit demonstrate that the injected source water is not lost through mi-
11 gration or other means and that ground water otherwise present in the aquifer has not been irre-
12 trievably lost as a result of aquifer storage or retrieval. The Water Resources Department may place
13 such other conditions on withdrawal of stored water necessary to protect the public health and en-
14 vironment, including conditions allowing reconsideration of the permit to comply with ORS 537.532.

15 (c) The procedure for allowing the Department of Environmental Quality and the Oregon [*Health*
16 *Authority*] **Department of Health** to comment on and recommend permit conditions.

17 (6) The use of water under a permit as injection source water for an aquifer storage and re-
18 covery project up to the limits allowed in subsection (5)(b) of this section shall not affect the priority
19 date of the water right permit or otherwise affect the right evidenced by the permit.

20 (7) The holder of a permit for aquifer storage and recovery shall apply for a transfer or change
21 of use if the use of recovered water is different from that which is allowed in the source water
22 permit or certificate.

23 **SECTION 1511.** ORS 541.551 is amended to read:

24 541.551. (1) As used in this section:

25 (a) "Community engagement plan" means a plan to meaningfully engage and provide suitable
26 access to decision-making processes for disproportionately impacted communities, underrepresented
27 communities, tribal communities and all persons regardless of race, color, national origin or income
28 in planning for water projects using identified best practices.

29 (b) "Disproportionately impacted communities" may include:

30 (A) Rural communities;

31 (B) Coastal communities;

32 (C) Areas with above-average concentrations of historically disadvantaged households or resi-
33 dents with low levels of educational attainment, areas with high unemployment, high linguistic iso-
34 lation, low levels of homeownership or high rent burden or sensitive populations; or

35 (D) Other communities that face barriers to meaningful participation in public processes.

36 (c) "Local government" has the meaning given that term in ORS 174.116.

37 (d) "Local organization" means an organization that:

38 (A) Is a special government body as defined in ORS 174.117, a federally recognized Indian tribe,
39 a nonprofit organization or other organization identified by a provider of water project support by
40 rule as eligible to receive water project support; and

41 (B) Operates in an area affected by a water project.

42 (e) "Water project" includes watershed enhancement, in-stream flow protection or enhancement,
43 water resource conservation or development, or water supply and wastewater treatment and dis-
44 posal projects.

45 (f) "Water project support" means planning, technical assistance or financial support related to

1 a water project that is provided to an eligible recipient by one of the following providers:

- 2 (A) The Department of Environmental Quality;
- 3 (B) The Oregon Business Development Department;
- 4 (C) The State Department of Fish and Wildlife;
- 5 (D) The Oregon [*Health Authority*] **Department of Health**;
- 6 (E) The Oregon Watershed Enhancement Board; or
- 7 (F) The Water Resources Department.

8 (2) A provider of water project support:

9 (a) May make water project support available for the purpose of enabling local organizations
10 and local governments to develop and implement community engagement plans related to a water
11 project, including funding to increase participation by representatives of disproportionately impacted
12 communities in planning processes and water project decision-making.

13 (b) Shall require that community engagement plans supported by the provider utilize goals and
14 approaches for increased participation of disproportionately impacted communities in decisions re-
15 lated to the identification, scoping, design and implementation of water projects.

16 (c) Shall require that community engagement plans supported by the provider utilize best prac-
17 tices recognized by the provider under subsection (4) of this section.

18 (3) A provider of water project support may condition support for community engagement plan-
19 ning on the local organization or local government:

20 (a) Identifying disproportionately impacted communities and local demographics through the use
21 of established systems; and

22 (b) Using best practices recognized by the provider under subsection (4) of this section to de-
23 velop a plan for water project decision-making that:

24 (A) Invites and supports broad community participation that includes disproportionately im-
25 pacted communities;

26 (B) Invites and supports tribal participation in the areas of water projects or proposed water
27 projects, regardless of whether tribal members are represented in the community demographics;

28 (C) Establishes specific goals for equitable participation and water project decision-making and
29 identifies specific realistic and achievable approaches for use in meeting those goals; and

30 (D) Provides for periodic reporting on the attempted or successful achievement of best practices
31 in the decision-making process.

32 (4) Each provider of water project support shall, in coordination with the other providers, adopt
33 rules recognizing best practices for use by the provider, local organizations and local governments
34 to ensure that community engagement planning activities are carried out in the manner described
35 in this section. Providers of water project support shall periodically coordinate with each other to
36 ensure that best practices recognized by the providers are updated as necessary and are adminis-
37 tered and used by the providers in a consistent manner. The Water Resources Department shall
38 oversee the coordination process. The department shall ensure that the coordination process occurs
39 at least once every five years.

40 **SECTION 1512.** ORS 541.845 is amended to read:

41 541.845. (1) In accordance with the applicable provisions of ORS chapter 183, the Water Re-
42 sources Commission may adopt rules necessary to carry out ORS 541.700 to 541.855.

43 (2) In adopting rules establishing guidelines or criteria for awarding loans or grants for drinking
44 water projects, the commission shall coordinate the Water Resources Department's rulemaking pro-
45 cess with the Oregon Business Development Department and the Oregon [*Health Authority*] **De-**

1 **partment of Health** in order to ensure that rules adopted under this subsection are consistent with
 2 rules adopted under ORS 285B.563 and 431.120. The rules adopted under this subsection shall:

3 (a) Require the installation of meters on all new active service connections from any municipal
 4 drinking water distribution lines funded under ORS 285B.560 to 285B.599, 431.120, 541.700, 541.705,
 5 541.765, 541.830 and 541.845; and

6 (b) Require a plan, to be adopted by the municipality, for installation of meters on all service
 7 connections throughout the drinking water system.

8 (3) As used in this section, "service connection" does not include fire hydrants, fire sprinkler
 9 system connections, line blow-offs and drains, standby emergency interties, valve controlled drinking
 10 fountains and other similar intermittently used connections.

11 **SECTION 1513.** ORS 545.101 is amended to read:

12 545.101. (1) When a subdivision is platted after September 13, 1975, under ORS 92.010 to 92.192,
 13 if the subdivision has three or more tracts on each acre of land within the subdivision, the subdivi-
 14 sion shall be excluded and taken from the district pursuant to ORS 545.097 to 545.126 at the time
 15 that the plat is approved by the appropriate governing body.

16 (2) The exclusion provided in subsection (1) of this section shall not apply to a district which:

17 (a) Also supplies domestic water approved by the Oregon [*Health Authority*] **Department of**
 18 **Health** to the subdivision; or

19 (b) Agrees to supply water to the subdivision. A district may require as a condition of any
 20 agreement that:

21 (A) The subdivider install underground pipe from the district's designated point of delivery to
 22 each lot or parcel in the subdivision as shown on the plat approved by the appropriate governing
 23 body;

24 (B) The subdivider install a meter or other adequate measuring device at the delivery point to
 25 the subdivision and for each lot or parcel;

26 (C) The subdivider provide adequate easements for the delivery system and make provision for
 27 the maintenance and repair of the delivery system; and

28 (D) The subdivider provide any other measures that the district considers necessary for the
 29 proper and efficient delivery of water to the subdivision and for the efficient administration of such
 30 delivery.

31 (3) Nothing in subsection (2)(b) of this section requires a district to agree to deliver water to a
 32 subdivision.

33 **SECTION 1514.** ORS 547.045 is amended to read:

34 547.045. (1) Whenever any diking or drainage district is sought to be created and organized or
 35 is created and organized in the manner provided by law, within the boundaries of which are located
 36 any lands belonging to the state that have been acquired or used by or for any state institution
 37 described in ORS 179.321 or used for the Eastern Oregon State Training Center, the Director of
 38 Human Services, the Department of Corrections or the Director of the Oregon [*Health Authority*]
 39 **Department of Health** may sign any petition or objections thereto for the organization of such
 40 district and exercise on behalf of the state with respect to the district and the land therein belong-
 41 ing to the state, all the rights and privileges of a landowner within the district.

42 (2) Whenever any such district or proposed district includes any lands belonging to any public
 43 body as defined in ORS 174.109, the presiding officer of such public body, a member of the governing
 44 body of such public body or a designee of the governing body, when designated in a resolution of
 45 the governing body, may sign such petition or objection on behalf of the public body, and exercise

1 with respect to the district and the land therein belonging to the public body all the rights and
2 privileges of a landowner in the district, including the right to be a supervisor of the district.

3 (3) Lands belonging to a public body as defined in ORS 174.109 shall be subject to the same
4 burdens and liabilities and entitled to the same benefits as lands in the district belonging to private
5 individuals. The Department of Human Services, the Department of Corrections or the Oregon
6 *[Health Authority]* **Department of Health** may pay from any appropriations made for the operation
7 and maintenance of any institution, the lands of which have been included in any diking or drainage
8 district, any charges billed to the departments *[or the authority]* on any assessments levied against
9 such lands by the diking or drainage district.

10 **SECTION 1515.** ORS 561.740 is amended to read:

11 561.740. (1) The Director of Agriculture and an appointee of the Director of the Oregon *[Health*
12 *Authority]* **Department of Health** who has experience in health program administration may enter
13 into memoranda of understanding or other intergovernmental agreements on behalf of this state for
14 the purpose of furthering collaboration between this state and federal agencies that regulate the
15 growing of biopharmaceutical crops. A memorandum or other agreement entered into under this
16 section shall be designed to increase state input to the federal biopharm permitting system on
17 biopharmaceutical crop issues and requirements of specific interest to this state.

18 (2) To the extent authorized under federal and state law, or under any memorandum of under-
19 standing or other agreement entered into under subsection (1) of this section, the Director of Agri-
20 culture and the appointee of the Director of the Oregon *[Health Authority]* **Department of**
21 **Health**, or their designees:

22 (a) Notwithstanding ORS 192.311 to 192.478, shall refuse to disclose any biopharm permit appli-
23 cation or related biopharmaceutical crop information received from the United States Department
24 of Agriculture's Animal and Plant Health Inspection Service, or from any successor to that service,
25 that the United States Department of Agriculture has determined to be confidential business infor-
26 mation.

27 (b) May review biopharm permit applications and biopharmaceutical crop information submitted
28 to the United States Department of Agriculture.

29 (c) May administer and conduct site inspections and monitoring of any biopharmaceutical crops
30 grown in Oregon.

31 (d) If there is evidence that biopharmaceutical crops are endangering Oregon agriculture,
32 horticulture or forest production or public health, may take appropriate enforcement action.

33 (e) May charge a biopharm permit applicant or holder fees for state oversight, services or ac-
34 tivities under this section. Fees charged under this paragraph may not total more than \$10,000 and
35 must be reasonably calculated to reimburse the state for the actual cost of the oversight, services
36 or activities. Fees collected under this paragraph shall be deposited to the credit of the Department
37 of Agriculture Service Fund and are continuously appropriated to the State Department of Agricul-
38 ture for the purpose of carrying out this section.

39 **SECTION 1516.** ORS 571.330 is amended to read:

40 571.330. (1)(a) A laboratory licensed by the Oregon Liquor and Cannabis Commission under ORS
41 475C.548 and accredited by the Oregon *[Health Authority]* **Department of Health** pursuant to ORS
42 475C.560 may test industrial hemp and industrial hemp commodities and products whether or not the
43 industrial hemp or industrial hemp commodities or products were produced or processed by a
44 licensee.

45 (b) An accredited independent testing laboratory that has been approved by the *[authority]*

1 **Oregon Department of Health** or the State Department of Agriculture may test industrial hemp
2 and industrial hemp commodities and products whether or not the industrial hemp or industrial
3 hemp commodities or products were produced or processed by a licensee.

4 (2) A person may not sell or transfer an industrial hemp commodity or product that is intended
5 for human consumption and that was produced, processed or manufactured in this state unless the
6 commodity or product is tested by a laboratory described in subsection (1) of this section to ensure
7 that the commodity or product meets the requirements adopted by the Oregon [*Health Authority*]
8 **Department of Health** under ORS 475C.544 (1)(a) and (b) for testing marijuana items and industrial
9 hemp-derived vapor items and ORS 475C.544 (2) for testing cannabinoid edibles.

10 (3) Industrial hemp commodities or products that are intended for use in an inhalant delivery
11 system, as defined in ORS 431A.175, must meet the requirements of ORS 475C.540 to 475C.586 and
12 475C.600 to 475C.648 that apply to industrial hemp-derived vapor items as defined in ORS 475C.540
13 and 475C.600.

14 (4) For purposes of this section, the **State Department of Agriculture** shall adopt rules:

15 (a) Establishing protocols for the testing of industrial hemp commodities and products; and

16 (b) Establishing procedures for determining batch sizes and for sampling industrial hemp com-
17 modities and products.

18 (5) This section does not apply to:

19 (a) Agricultural hemp seed;

20 (b) Seeds of the plant genus *Cannabis* within the plant family *Cannabaceae* that are incapable
21 of germination;

22 (c) Products derived from seeds described in paragraph (b) of this subsection; or

23 (d) Other parts of industrial hemp that the department identifies by rule as exempt.

24 **SECTION 1517.** ORS 571.333 is amended to read:

25 571.333. (1) The State Department of Agriculture may enter into an agreement with the Oregon
26 [*Health Authority*] **Department of Health** for the purpose of developing standards for investigating
27 and testing an industrial hemp crop to determine the average tetrahydrocannabinol concentration
28 of the crop.

29 (2) In accordance with standards developed under subsection (1) of this section, a laboratory
30 described in ORS 571.330 may test an industrial hemp crop for the purpose of determining the av-
31 erage tetrahydrocannabinol concentration of the crop. The laboratory must provide the test results
32 to the **State Department of Agriculture** in a form and manner prescribed by the department.

33 **SECTION 1518.** ORS 571.339 is amended to read:

34 571.339. (1) For purposes of this section, “consumer” means a person that purchases, acquires,
35 owns, holds or uses an industrial hemp commodity or product other than for the purpose of resale.

36 (2) A person may not sell, transfer or deliver to a consumer an industrial hemp commodity or
37 product that contains cannabinoids and is intended for human consumption unless:

38 (a) The industrial hemp commodity or product has been tested in accordance with ORS 571.330
39 and any rules adopted pursuant to ORS 571.330;

40 (b) If the hemp commodity or product is intended for human consumption by ingestion, the hemp
41 commodity or product was processed in a facility licensed by the State Department of Agriculture
42 under ORS 616.695 to 616.755 or in a facility in another state or jurisdiction that meets requirements
43 substantially similar to requirements established under ORS 616.695 to 616.755;

44 (c) The person obtains and maintains documentation of the results of the testing;

45 (d) If the industrial hemp commodity or product is sold to a person under 21 years of age or any

1 representations are made to the consumer about the concentration of delta-8-tetrahydrocannabinol,
 2 the results of the testing required under this subsection demonstrate the concentration of
 3 delta-8-tetrahydrocannabinol;

4 (e) The industrial hemp commodity or product does not contain more than 0.3 percent
 5 tetrahydrocannabinol or the concentration of tetrahydrocannabinol allowed under federal law,
 6 whichever is greater; and

7 (f) The industrial hemp commodity or product does not exceed the concentration of adult use
 8 cannabinoids established by the Oregon Liquor and Cannabis Commission, in conjunction with the
 9 Oregon *[Health Authority]* **Department of Health** and State Department of Agriculture, by rule.

10 (3) The testing required under subsection (2) of this section may be conducted only by:

11 (a) A laboratory licensed by the commission under ORS 475C.548 and accredited by the *[au-*
 12 *thority]* **Oregon Department of Health** under ORS 475C.560; or

13 (b) If the industrial hemp commodity or product was processed outside of this state, a laboratory
 14 accredited to the same or more stringent standards as a laboratory described in paragraph (a) of this
 15 subsection.

16 (4) A person may not sell or deliver an adult use cannabis item to a person under 21 years of
 17 age.

18 (5) This section does not apply to the retail sale of industrial hemp commodities or products by
 19 a marijuana retailer, as defined in ORS 475C.009, that holds a license issued under ORS 475C.097.

20 **SECTION 1519.** ORS 609.652 is amended to read:

21 609.652. As used in ORS 609.654:

22 (1)(a) “Aggravated animal abuse” means any animal abuse as described in ORS 167.322.

23 (b) “Aggravated animal abuse” does not include:

24 (A) Good animal husbandry, as defined in ORS 167.310; or

25 (B) Any exemption listed in ORS 167.335.

26 (2) “Law enforcement agency” means:

27 (a) Any city or municipal police department.

28 (b) A police department established by a university under ORS 352.121 or 353.125.

29 (c) Any county sheriff’s office.

30 (d) The Oregon State Police.

31 (e) A law enforcement division of a county or municipal animal control agency that employs
 32 sworn officers.

33 (f) A humane investigation agency as defined in ORS 181A.340 that employs humane special
 34 agents commissioned under ORS 181A.340.

35 (3) “Public or private official” means:

36 (a) A physician, including any intern or resident.

37 (b) A dentist.

38 (c) A school employee.

39 (d) A licensed practical nurse or registered nurse.

40 (e) An employee of the Department of Human Services, Oregon *[Health Authority]* **Department**
 41 **of Health**, Early Learning Division, Youth Development Division, Office of Child Care, the Oregon
 42 Youth Authority, a local health department, a community mental health program, a community de-
 43 velopmental disabilities program, a county juvenile department, a child-caring agency as defined in
 44 ORS 418.205 or an alcohol and drug treatment program.

45 (f) A peace officer.

- 1 (g) A psychologist.
- 2 (h) A member of the clergy.
- 3 (i) A regulated social worker.
- 4 (j) An optometrist.
- 5 (k) A chiropractor.
- 6 (L) A certified provider of foster care, or an employee thereof.
- 7 (m) An attorney.
- 8 (n) A naturopathic physician.
- 9 (o) A licensed professional counselor.
- 10 (p) A licensed marriage and family therapist.
- 11 (q) A firefighter or emergency medical services provider.
- 12 (r) A court appointed special advocate, as defined in ORS 419A.004.
- 13 (s) A child care provider registered or certified under ORS 329A.030 and 329A.250 to 329A.450.
- 14 (t) A member of the Legislative Assembly.

15 **SECTION 1520.** ORS 609.652, as amended by section 60, chapter 631, Oregon Laws 2021, and
16 section 18, chapter 27, Oregon Laws 2022, is amended to read:

17 609.652. As used in ORS 609.654:

- 18 (1)(a) “Aggravated animal abuse” means any animal abuse as described in ORS 167.322.
- 19 (b) “Aggravated animal abuse” does not include:
 - 20 (A) Good animal husbandry, as defined in ORS 167.310; or
 - 21 (B) Any exemption listed in ORS 167.335.
- 22 (2) “Law enforcement agency” means:
 - 23 (a) Any city or municipal police department.
 - 24 (b) A police department established by a university under ORS 352.121 or 353.125.
 - 25 (c) Any county sheriff’s office.
 - 26 (d) The Oregon State Police.
 - 27 (e) A law enforcement division of a county or municipal animal control agency that employs
28 sworn officers.
 - 29 (f) A humane investigation agency as defined in ORS 181A.340 that employs humane special
30 agents commissioned under ORS 181A.340.
- 31 (3) “Public or private official” means:
 - 32 (a) A physician, including any intern or resident.
 - 33 (b) A dentist.
 - 34 (c) A school employee.
 - 35 (d) A licensed practical nurse or registered nurse.
 - 36 (e) An employee of the Department of Human Services, Oregon [*Health Authority*] **Department**
37 **of Health**, Department of Early Learning and Care, Youth Development Division, Office of Child
38 Care, the Oregon Youth Authority, a local health department, a community mental health program,
39 a community developmental disabilities program, a county juvenile department, a child-caring
40 agency as defined in ORS 418.205 or an alcohol and drug treatment program.
 - 41 (f) A peace officer.
 - 42 (g) A psychologist.
 - 43 (h) A member of the clergy.
 - 44 (i) A regulated social worker.
 - 45 (j) An optometrist.

- 1 (k) A chiropractor.
- 2 (L) A certified provider of foster care, or an employee thereof.
- 3 (m) An attorney.
- 4 (n) A naturopathic physician.
- 5 (o) A licensed professional counselor.
- 6 (p) A licensed marriage and family therapist.
- 7 (q) A firefighter or emergency medical services provider.
- 8 (r) A court appointed special advocate, as defined in ORS 419A.004.
- 9 (s) A child care provider registered or certified under ORS 329A.250 to 329A.450.
- 10 (t) A member of the Legislative Assembly.

11 **SECTION 1521.** ORS 616.010 is amended to read:

12 616.010. The duty of administration and enforcement of all regulatory legislation applying to:

13 (1) The production, processing and distribution of all food products or commodities of agricul-
 14 tural origin shall, in addition to such further legislation as shall specifically name the State De-
 15 partment of Agriculture as the administering agency, be performed by the department to the
 16 exclusion of any other department not so specifically named, except as provided in ORS 475C.493.

17 (2) The sanitation of establishments where food or drink is consumed on the premises where
 18 sold, or to sanitary practices used in such establishments, shall be performed by the Oregon [*Health*
 19 *Authority*] **Department of Health**.

20 **SECTION 1522.** ORS 616.015 is amended to read:

21 616.015. In order to more effectively utilize the agencies of the state in the public interest and
 22 without unnecessary duplication and expense, the relationship between the production, processing
 23 and distribution of food and the public health hereby is recognized. Therefore there shall be the
 24 fullest cooperation between the Oregon [*Health Authority*] **Department of Health** and the State
 25 Department of Agriculture.

26 **SECTION 1523.** ORS 616.020 is amended to read:

27 616.020. (1) In addition to any Oregon [*Health Authority*] **Department of Health** survey, inves-
 28 tigation or inquiry authorized by law that involves the production, processing or distribution of ag-
 29 ricultural products, the [*authority*] **department** shall make such further surveys, investigations or
 30 inquiries as may be requested by the Director of Agriculture for the purpose of showing the manner
 31 in which the production, processing or distribution of agricultural products may affect the public
 32 health.

33 (2) In order that maximum protection to the public health may result from the activities of the
 34 [*authority*] **department** and the State Department of Agriculture, the [*authority*] **Oregon Depart-**
 35 **ment of Health** shall notify the Director of Agriculture in writing of any contemplated survey that
 36 affects or may affect agricultural products that are under the regulation of the **State Department**
 37 **of Agriculture**. The notice shall cover in detail the scope of the survey under consideration, and
 38 the reasons therefor. However, this section shall not be construed as prohibiting the [*authority*]
 39 **Oregon Department of Health** from taking immediate action in any case where such action seems
 40 necessary in the interests of public health. The written notice is not required in the case of a survey
 41 instituted on the request of the Director of Agriculture.

42 (3) Not less than 30 days after the completion of any such survey, the [*authority*] **Oregon De-**
 43 **partment of Health** shall file with the Director of Agriculture a certified copy of its report. The
 44 report shall include the findings of the [*authority*] **department** with respect to all matters covered
 45 thereby. Whenever the findings in the report of any survey, investigation or inquiry made by the

1 [authority] **Oregon Department of Health** show any hazard to public health existing incident to the
 2 production, processing or distribution of any agricultural commodity, the State Department of Ag-
 3 riculture shall take such action as may be necessary and within the scope of its resources to remove
 4 such hazards.

5 **SECTION 1524.** ORS 616.077 is amended to read:

6 616.077. (1) The Oregon [Health Authority] **Department of Health** shall adopt any rules neces-
 7 sary to implement the policy established in ORS 616.073.

8 (2) Rules adopted by the [authority] **department** under subsection (1) of this section to imple-
 9 ment the policy of the State of Oregon to prohibit the use of sulfites in fresh foods and foods to be
 10 consumed without cooking do not apply to a food processing establishment licensed under ORS
 11 616.695 to 616.755.

12 **SECTION 1525.** ORS 616.330 is amended to read:

13 616.330. ORS 616.205 to 616.215, 616.225 to 616.256, 616.286, 616.295, 616.310, 616.315, 616.325,
 14 616.341, 616.350 to 616.366, 616.790, 616.992, rules adopted by the Oregon [Health Authority] **De-**
 15 **partment of Health** under ORS 616.077 (1) and this section do not apply to alcoholic beverages.

16 **SECTION 1526.** ORS 616.555 is amended to read:

17 616.555. As used in ORS 616.555 to 616.585:

18 (1) "Alcoholic beverage" has the meaning given that term in ORS 471.001.

19 (2)(a) "Chain restaurant" means a restaurant located in Oregon that:

20 (A) Is part of an affiliation of 15 or more restaurants within the United States;

21 (B) Sells standardized menu items that constitute 80 percent or more of the menu items served
 22 in the restaurant and at least 14 of the other affiliated restaurants; and

23 (C) Operates under a trade name or service mark, both as defined in ORS 647.005, that is iden-
 24 tical or substantially similar to the trade names or service marks of the affiliated restaurants.

25 (b) "Chain restaurant" does not mean:

26 (A) A restaurant located inside a facility that is subject to State Department of Agriculture in-
 27 spection under an interagency agreement described in ORS 624.530, unless the trade name or service
 28 mark for the restaurant differs from the trade name or service mark of the facility containing the
 29 restaurant;

30 (B) A cafeteria of a public or private educational institution;

31 (C) A health care facility as defined in ORS 442.015; or

32 (D) A motion picture theater.

33 (3) "Food product" means a discrete unit serving of a ready-to-eat food or beverage.

34 (4)(a) "Food tag" means an informational label placed near a menu item that is identified or
 35 indicated by the label.

36 (b) "Food tag" does not mean a menu or menu board.

37 (5) "Menu" means a pictorial or written description of menu items that does not have a fixed
 38 location and is not intended for joint viewing by multiple patrons.

39 (6)(a) "Menu board" means a pictorial display or written description of menu items that:

40 (A) Is located where the customer places an order for a menu item; and

41 (B) Is not a menu or a food tag.

42 (b) "Menu board" does not mean a pictorial display used solely for the purpose of marketing.

43 (7)(a) "Menu item" means a prepared food product or a group or combination of prepared food
 44 products that is offered on a menu, menu board or food tag as a distinct article for sale.

45 (b) "Menu item" does not mean the following:

1 (A) Condiments that are made available on tables or counters for general use without charge.

2 (B) Food products that are offered for sale less than 90 days during a calendar year.

3 (C) Alcoholic beverages, except as provided by rule by the Oregon *[Health Authority]* **Depart-**
 4 **ment of Health** as described in ORS 616.575.

5 (D) Food products in sealed manufacturer packaging.

6 (8) "Restaurant" has the meaning given that term in ORS 624.010.

7 **SECTION 1527.** ORS 616.560 is amended to read:

8 616.560. (1) A chain restaurant shall determine typical values of the following for each menu
 9 item offered by the restaurant:

10 (a) Total calories.

11 (b) Total grams of saturated fat.

12 (c) Total grams of trans fat.

13 (d) Total grams of carbohydrates.

14 (e) Total milligrams of sodium.

15 (2) The typical values described in subsection (1) of this section must be based on calorie and
 16 nutrient databases, verifiable reference values, government standards, laboratory testing or other
 17 methods for determining nutritional values recognized by the Oregon *[Health Authority]* **Depart-**
 18 **ment of Health** by rule.

19 (3) The chain restaurant shall maintain a written list of the typical values described in sub-
 20 section (1) of this section for all of the menu items of the restaurant and make copies of the list
 21 available for distribution to customers. The chain restaurant shall provide a copy of the list to a
 22 customer who is present in the restaurant and requests nutritional information regarding any menu
 23 item.

24 (4) A chain restaurant may not make available to customers any typical values determined under
 25 this section that are substantially inaccurate or that the restaurant knows or should know to be
 26 false or misleading.

27 **SECTION 1528.** ORS 616.570 is amended to read:

28 616.570. (1) If a chain restaurant serves a menu item that is not a self-service item, the chain
 29 restaurant shall have a menu, menu board or food tag that:

30 (a) Discloses nutritional information for the menu item as required by this section; and

31 (b) Is readily visible for customer use at the location where the customer places the order for
 32 the menu item.

33 (2)(a) If a chain restaurant offers a menu item for self-service, the chain restaurant shall have
 34 a menu board or food tag, for each area of the restaurant in which the item is displayed, that:

35 (A) Discloses nutritional information for the menu item as required by this section; and

36 (B) Is readily visible in the area where the menu item is displayed.

37 (b) If a chain restaurant offers a menu item for self-service that the restaurant also offers on a
 38 basis that is not self-service, the restaurant shall ensure that the area where the item is offered on
 39 a basis that is not self-service complies with subsection (1) of this section.

40 (3) If a chain restaurant uses a menu or menu board, the menu or menu board must include the
 41 following:

42 (a) A statement of the total calories for each of the menu items listed on that menu or menu
 43 board. The total calorie statement must be in a conspicuous place near the other menu or menu
 44 board information for that menu item. If the menu or menu board lists prices, the total calorie
 45 statement must be of a size and typeface no less prominent than the size and typeface used to dis-

1 play the price of the menu item. If the menu or menu board does not list prices, the total calorie
2 statement must be of a size and typeface no less prominent than the size and typeface used to dis-
3 play the least prominent of any other information stated on the menu or menu board.

4 (b) In a conspicuous place, a statement listing the daily intake amounts of calories, saturated
5 fat and sodium recommended by the Oregon [*Health Authority*] **Department of Health**.

6 (c) In a conspicuous place, a statement that additional nutritional information is available upon
7 request.

8 (4) If a chain restaurant uses food tags, the restaurant shall display the following:

9 (a) A statement of the total calories for the menu item in a conspicuous place on the tag. If the
10 food tag states the price of the menu item, the total calorie statement must be of a size and typeface
11 no less prominent than the size and typeface used to display the price of the menu item. If the food
12 tag does not state the price, the total calorie statement must be of a size and typeface no less
13 prominent than the size and typeface used to display the least prominent of any other information
14 stated on the tag.

15 (b) In a conspicuous place, a statement listing the daily intake amounts of calories, saturated
16 fat and sodium recommended by the [*authority*] **department**.

17 (c) In a conspicuous place, a statement that additional nutritional information is available upon
18 request.

19 (5) A chain restaurant may post disclaimers stating that the actual nutritional value of menu
20 items may vary from the stated total calories or other nutritional information due to variations in
21 preparation, size or ingredients or for custom orders.

22 (6) A chain restaurant may supplement the nutritional information disclosures required by this
23 section and ORS 616.560 and 616.565 with additional consumer information.

24 **SECTION 1529.** ORS 616.575 is amended to read:

25 616.575. (1) The Oregon [*Health Authority*] **Department of Health** shall adopt rules the [*au-*
26 *thority*] **department** considers reasonable for the administration and enforcement of ORS 616.555 to
27 616.580. The rules adopted by the [*authority*] **department** must include, but need not be limited to,
28 rules for the rounding of stated values and the establishment of specifications for total calorie
29 statements and other required statements. In adopting rules under this section, the [*authority*] **de-**
30 **partment** shall:

31 (a) To the extent the [*authority*] **department** considers practicable, follow any relevant United
32 States Food and Drug Administration practices, standards and rules for nutritional labeling; and

33 (b) Seek input from representatives of chain restaurants.

34 (2) The [*authority*] **department** shall adopt rules establishing conditions under which a menu
35 board serving the drive-through area of a chain restaurant may qualify for a full or partial exception
36 from ORS 616.565 and 616.570. The rules shall make an exception available only if compliance with
37 ORS 616.565 or 616.570 would require the violation of local land use laws or sign ordinances, or is
38 impracticable due to site-specific conditions. As used in this subsection, "drive-through area" means
39 an area where customers place orders for and receive menu items while occupying motor vehicles.

40 (3)(a) Notwithstanding subsection (1) of this section, the following are the typical values for al-
41 coholic beverages:

42 (A) For wine, 122 calories, 4 grams of carbohydrate and 7 milligrams of sodium for a five-ounce
43 serving;

44 (B) For beer other than light beer, 153 calories, 13 grams of carbohydrate and 14 milligrams of
45 sodium for a 12-ounce serving;

1 (C) For light beer, 103 calories, 6 grams of carbohydrate and 14 milligrams of sodium for a
 2 12-ounce serving; and

3 (D) For distilled spirits, 96 calories for a 1.5-ounce serving.

4 (b) A chain restaurant shall use the typical values described in paragraph (a) of this subsection
 5 when calculating the total calories for a menu item that includes one or more alcoholic beverages.

6 (c) The [authority] **department**:

7 (A) May adopt rules to require total calorie disclosures for an alcoholic beverage or a menu
 8 item that contains an alcoholic beverage, only if the alcoholic beverage or menu item is offered by
 9 a chain restaurant for 90 or more days during a calendar year; and

10 (B) May adopt rules that exempt containers or dispensers of alcoholic beverages from the use
 11 of food tags to state standard calorie values.

12 **SECTION 1530.** ORS 616.580 is amended to read:

13 616.580. (1) The Oregon [Health Authority] **Department of Health** may inspect chain restau-
 14 rants for compliance with ORS 616.560, 616.565 and 616.570 and [authority] **department** rules
 15 adopted under ORS 616.575. The person operating the chain restaurant shall, upon request of the
 16 [authority] **department**, permit access to all parts of the restaurant and any records in the pos-
 17 session of the restaurant regarding nutritional values or menu items and provide menu item samples
 18 for nutritional value testing by the [authority] **department**.

19 (2) If a chain restaurant violates a provision of ORS 616.560, 616.565 or 616.570 or a rule adopted
 20 under ORS 616.575, the [authority] **department** shall provide the restaurant with written notice in-
 21 forming the restaurant of the violation and stating that the restaurant may avoid a civil penalty for
 22 the violation by curing the violation within 60 days. If the chain restaurant fails to cure the vio-
 23 lation within 60 days, the [authority] **department** may impose a civil penalty of not less than \$250
 24 and not more than \$1,000 for the violation. For a continuing violation, each 30-day period that the
 25 violation continues after the preceding imposition of a civil penalty is a separate offense subject to
 26 a separate civil penalty. The [authority] **department** is not required to provide the chain restaurant
 27 with an opportunity to cure the continuing violation before imposing a civil penalty for the contin-
 28 uing violation.

29 **SECTION 1531.** ORS 616.711 is amended to read:

30 616.711. (1) No license or duplicate of a license, as prescribed in ORS 616.706, is necessary for
 31 food establishments where the principal activity is the receiving, storage, sorting, cleaning and
 32 packing of fresh fruits and vegetables.

33 (2) All provisions of ORS 616.695 to 616.755 other than licensing apply to food establishments
 34 set forth in subsection (1) of this section.

35 (3) The provisions of ORS 616.695 to 616.755 do not apply to:

36 (a) Restaurants, bed and breakfast facilities, intermittent temporary restaurants, seasonal tem-
 37 porary restaurants, single-event temporary restaurants, commissaries, vending machines and mobile
 38 food and beverage units licensed under ORS 624.010 to 624.121, 624.310 to 624.430 or those that are
 39 exempted under ORS 624.330.

40 (b) Food service facilities not preparing food for distribution to the public or to institutional
 41 facilities licensed and regulated by the Department of Human Services or the Oregon [Health Au-
 42 thority] **Department of Health**.

43 (c) Shellfish operations licensed under ORS chapter 622.

44 (d) A person processing, manufacturing or packaging food for family use or consumption.

45 (e) Commercial transit salvage operations not involving sale of food to the general public.

1 **SECTION 1532.** ORS 616.745 is amended to read:

2 616.745. (1) The Oregon [*Health Authority*] **Department of Health** may, by rule, define certain
3 communicable diseases which may be spread to the public through the handling of food in food es-
4 tablishments.

5 (2) No owner or employer shall require, permit or suffer any person to work, nor shall any
6 person work, in a food establishment who is affected with a disease described in subsection (1) of
7 this section.

8 **SECTION 1533.** ORS 616.892 is amended to read:

9 616.892. (1) As used in this section:

10 (a) “Consumer” means an individual who orders a beverage of any description from a food and
11 beverage provider in this state.

12 (b) “Convenience store” means a business that, for compensation, offers or provides a range of
13 commodities that includes food and beverages.

14 (c) “Enforcement officer” means an authorized representative of the State Department of Agri-
15 culture who conducts inspections under ORS 616.286 or an authorized representative of the Director
16 of the Oregon [*Health Authority*] **Department of Health** or of a local government who conducts
17 inspections under ORS 624.010 to 624.121 or 624.310 to 624.430.

18 (d)(A) “Food and beverage provider” means a business that, for compensation, offers or serves
19 food or beverages to a consumer.

20 (B) “Food and beverage provider” does not include a health care facility, as defined in ORS
21 442.015, or a residential care facility, as defined in ORS 443.400, that provides single-use plastic
22 straws to patients or residents.

23 (e)(A) “Single-use plastic straw” means a tube made primarily from plastic that is derived from
24 petroleum or a biologically based polymer, such as corn or another plant source, and that is in-
25 tended:

26 (i) To transfer liquid from a container to a consumer’s mouth;

27 (ii) For a single use; and

28 (iii) For disposal after the single use.

29 (B) “Single-use plastic straw” does not include:

30 (i) A straw made from materials other than plastic, including but not limited to paper, pasta,
31 sugar cane, wood or bamboo; and

32 (ii) A plastic straw that is attached to or packaged with a beverage container before the
33 beverage container is offered for retail sale.

34 (2)(a) A food and beverage provider or convenience store may not provide a single-use plastic
35 straw to a consumer unless the consumer specifically requests the single-use plastic straw.

36 (b) Notwithstanding the prohibition in paragraph (a) of this subsection, a consumer may request,
37 and a food and beverage provider or a convenience store may offer to the consumer, a single-use
38 plastic straw in an area of the food service provider’s or convenience store’s premises in which the
39 consumer may receive a delivery of prepared food or a beverage while seated in or on a vehicle.

40 (c) The prohibition in paragraph (a) of this subsection does not apply to a convenience store
41 that:

42 (A) Sells or offers single-use plastic straws for sale in bulk or unconnected with a sale or pro-
43 vision of food or a beverage; or

44 (B) Makes single-use plastic straws available to consumers in an unattended location, provided
45 that the convenience store may leave the single-use plastic straws in an unattended location only

1 if the convenience store does not have space in which to store the single-use plastic straws in a
 2 location where employees of the convenience store provide service to consumers.

3 (3) An enforcement officer may enforce subsection (2) of this section in the course of conducting
 4 an inspection. A food and beverage provider or a convenience store that violates subsection (2) of
 5 this section is subject to a notice for a first and second violation and, for subsequent violations, to
 6 a fine of not more than \$25 for each day in which the food and beverage provider or convenience
 7 store remains in violation of subsection (2) of this section. The enforcement officer may not impose
 8 total fines of more than \$300 during a calendar year for a food and beverage provider's or a con-
 9 venience store's violation of subsection (2) of this section.

10 **SECTION 1534.** ORS 619.095 is amended to read:

11 619.095. (1) Game meat donated to charitable organizations shall be inspected by the State De-
 12 partment of Agriculture to determine fitness for human consumption as provided in ORS 603.045 and
 13 619.031 or shall be inspected and determined fit for human consumption by employees of the State
 14 Department of Fish and Wildlife or the Department of State Police who have been trained by the
 15 State Department of Agriculture in the procedures provided in ORS 603.045 and 619.031, and shall
 16 be processed by an establishment approved by the State Department of Agriculture as provided in
 17 ORS 619.026 and 619.031 and may be served for human consumption by charitable organizations.

18 (2) As used in subsection (1) of this section:

19 (a) "Charitable organization" means the Department of Human Services, Oregon [*Health Au-*
 20 *thority*] **Department of Health**, Oregon Youth Authority, Department of Corrections institutions,
 21 low-income nutritional centers, public school nutritional centers, senior nutritional centers, state
 22 hospitals and other charitable organizations or public institutions approved by the State Department
 23 of Fish and Wildlife.

24 (b) "Game meat" includes antelope, bighorn sheep, deer, elk, moose and mountain goat.

25 **SECTION 1535.** ORS 624.010 is amended to read:

26 624.010. As used in ORS 624.010 to 624.121, unless the context requires otherwise:

27 [(1) "*Authority*" means the Oregon Health Authority.]

28 [(2)] (1) "Bed and breakfast facility" means any establishment located in a structure designed
 29 for a single family residence and structures appurtenant thereto, regardless of whether the owner
 30 or operator of the establishment resides in any of the structures, that:

31 (a) Has more than two rooms for rent on a daily basis to the public; and

32 (b) Offers meal service as provided in ORS 624.046 as part of the cost of the room.

33 [(3) "*Director*" means the Director of the Oregon Health Authority.]

34 [(4)] (2) "Intermittent temporary restaurant" means an establishment:

35 (a) That operates temporarily at a specific location in connection with multiple public gath-
 36 erings, entertainment events, food product promotions or other events, at least two of which are
 37 arranged for by different oversight organizations; and

38 (b) Where food is prepared or served for consumption by the public.

39 [(5)] (3) "Limited service restaurant" means a restaurant serving only individually portioned
 40 prepackaged foods prepared from an approved source by a commercial processor and nonperishable
 41 beverages.

42 [(6)] (4) "Operational review" means the examination of a plan of operation for an establishment
 43 in order to ensure that the proposed operation conforms with applicable sanitation standards.

44 [(7)] (5) "Oversight organization" means an entity responsible for organizing, managing or oth-
 45 erwise arranging for a public gathering, entertainment event, food product promotion or other event,

1 including but not limited to ensuring the availability of water, sewer and sanitation services.

2 [(8)] (6) "Person" means a person as defined in ORS 174.100, a public body as defined in ORS
3 174.109, the Oregon Health and Science University or the Oregon State Bar.

4 [(9)] (7) "Restaurant," except as provided in subsection [(10)] (8) of this section, means an es-
5 tablishment:

6 (a) Where food or drink is prepared for consumption by the public;

7 (b) Where the public obtains food or drink so prepared in form or quantity consumable then and
8 there, whether or not it is consumed within the confines of the premises where prepared; or

9 (c) That prepares food or drink in consumable form for service outside the premises where pre-
10 pared.

11 [(10)] (8) "Restaurant" does not mean a railroad dining car, bed and breakfast facility, inter-
12 mittent temporary restaurant, seasonal temporary restaurant or single-event temporary restaurant.

13 [(11)] (9) "Seasonal temporary restaurant" means an establishment:

14 (a) That operates at a specific location in connection with multiple public gatherings, enter-
15 tainment events, food product promotions or other events that are arranged for by the same over-
16 sight organization; and

17 (b) Where food is prepared or served for consumption by the public.

18 [(12)] (10) "Single-event temporary restaurant" means an establishment:

19 (a) That operates in connection with a single public gathering, entertainment event, food prod-
20 uct promotion or other event; and

21 (b) Where food is prepared or served for consumption by the public.

22 **SECTION 1536.** ORS 624.020 is amended to read:

23 624.020. (1) A person may not operate a restaurant or bed and breakfast facility without a li-
24 cense to do so from the Oregon [*Health Authority*] **Department of Health**.

25 (2) Application for the license shall be in writing in the form prescribed by the [*authority*] **de-**
26 **partment** and shall contain the name and address of the applicant and any other information that
27 the [*authority*] **department** may require. The fee for a license is as provided in ORS 624.490. A li-
28 cense expires annually on December 31 or on such date as may be specified by [*authority*] **depart-**
29 **ment** rule.

30 (3) The Director of the Oregon [*Health Authority*] **Department of Health** may suspend, deny
31 or revoke any license for violation of any of the applicable provisions of ORS 624.010 to 624.121 or
32 any rule adopted under ORS 624.010 to 624.121.

33 (4) Procedures for denial, revocation or suspension of a license are as provided in ORS chapter
34 183.

35 (5) The licensee shall post evidence of the license in public view at the customary entrance of
36 the restaurant or bed and breakfast facility. A person other than the director may not deface or
37 remove evidence of a license.

38 (6) A license is not transferable. The [*authority*] **department** may not issue a refund represent-
39 ing any unused portion of a license.

40 **SECTION 1537.** ORS 624.036 is amended to read:

41 624.036. When the Oregon [*Health Authority*] **Department of Health** determines that public
42 health hazards are nonexistent, the [*authority*] **department** may, by rule, exempt certain types of
43 confection operations from the license requirements of ORS 624.010 to 624.121.

44 **SECTION 1538.** ORS 624.041 is amended to read:

45 624.041. The Oregon [*Health Authority*] **Department of Health** shall make all rules necessary

1 for the enforcement of ORS 624.010 to 624.121, including such rules concerning the construction and
 2 operation of restaurants, bed and breakfast facilities, intermittent temporary restaurants, seasonal
 3 temporary restaurants and single-event temporary restaurants as are reasonably necessary to pro-
 4 tect the public health of persons using these facilities. The rules shall provide for, but need not be
 5 restricted to, the following:

6 (1) A water supply adequate in quantity and safe for human consumption.

7 (2) Disposal of sewage, refuse and other wastes in a manner that will not create a nuisance or
 8 a health hazard.

9 (3) The cleanliness and accessibility of toilets and handwashing facilities.

10 (4) The cleanliness of the premises.

11 (5) The refrigeration of perishable foods.

12 (6) The storage of food for protection against dust, dirt and contamination.

13 (7) Equipment of proper construction and cleanliness of such equipment.

14 (8) The control of insects and rodents.

15 (9) The cleanliness and grooming of food workers.

16 (10) Exclusion of unauthorized persons from food preparation and storage areas.

17 (11) Review of proposed plans for the construction or remodeling of facilities subject to licensing
 18 under this chapter.

19 **SECTION 1539.** ORS 624.046 is amended to read:

20 624.046. (1) The Oregon [*Health Authority*] **Department of Health** shall allow a bed and
 21 breakfast facility to conduct food service operations for its patrons in rooms used by the owner or
 22 operator if the rooms in which food service operations are conducted:

23 (a) Are not used as sleeping quarters; and

24 (b) Are off-limits during meal hours to individuals not employed by the bed and breakfast facil-
 25 ity.

26 (2) Except as provided in ORS 215.452 or 215.453, meal service in a bed and breakfast facility
 27 is limited to the preparation and service of breakfast.

28 **SECTION 1540.** ORS 624.051 is amended to read:

29 624.051. The Oregon [*Health Authority*] **Department of Health** shall allow restaurants with an
 30 occupancy capacity of no more than 15 persons, including employees and patrons, to have only one
 31 toilet fixture and adjacent lavatory on the premises. This single toilet fixture shall comply with all
 32 [*authority*] **department** standards for construction, maintenance, cleanliness, accessibility and oth-
 33 ers, not in conflict with the state building code, that the [*authority*] **department** might provide.

34 **SECTION 1541.** ORS 624.060 is amended to read:

35 624.060. (1) At least once every six months the Director of the Oregon [*Health Authority*] **De-**
 36 **partment of Health** shall inspect every restaurant located within the jurisdiction of the director.
 37 At least once a year the director shall inspect every bed and breakfast facility located within the
 38 jurisdiction of the director. The person operating the restaurant or bed and breakfast facility shall,
 39 upon the request of the director, permit access to all parts of the establishment.

40 (2) A copy of each inspection report shall be given to the restaurant or bed and breakfast fa-
 41 cility operator or person in charge of the restaurant or bed and breakfast facility, and another copy
 42 shall be filed with the records of the Oregon [*Health Authority*] **Department of Health**.

43 (3) During each inspection, the director shall ensure that restaurants or bed and breakfast es-
 44 tablishments that hold valid liquor licenses have properly posted the appropriate sign required by
 45 ORS 471.551.

1 (4) After each inspection, notice regarding compliance with ORS 624.010 to 624.121 by the res-
2 taurant or bed and breakfast facility shall be posted at the customary entrance of the restaurant
3 or bed and breakfast facility in public view and shall not be removed by any person except the di-
4 rector.

5 (5) If the director discovers the violation of any provision of ORS 624.010 to 624.121, the director
6 shall make a second inspection after the lapse of such time as the director deems necessary for the
7 defect to be remedied. When a violation noted on an inspection has been remedied, that violation
8 shall not cumulate with violations noted on a second inspection.

9 **SECTION 1542.** ORS 624.070 is amended to read:

10 624.070. Samples of food, drink and other substances may be taken and examined by the Director
11 of the Oregon [*Health Authority*] **Department of Health** as often as may be necessary for the de-
12 tection of unwholesomeness or adulteration. The director may condemn and forbid the sale of, or
13 cause to be removed or destroyed, any food or drink which is unwholesome or adulterated.

14 **SECTION 1543.** ORS 624.073 is amended to read:

15 624.073. (1) If the Director of the Oregon [*Health Authority*] **Department of Health** determines
16 that a critical violation of ORS 624.010 to 624.121, or any rule promulgated pursuant thereto, exists
17 in a restaurant or bed and breakfast facility and the critical violation constitutes a potential danger
18 to the public health, the director may revoke, suspend or refuse to issue the license required by ORS
19 624.020 if, after a reasonable time has been given for correction of the violation, but not longer than
20 14 days, the violation continues to exist. The director shall reinstate a license that has been revoked
21 or suspended if the director determines that the violation has been corrected.

22 (2) Notwithstanding ORS 624.020, if the director determines that a critical violation of ORS
23 624.010 to 624.121, or any rule promulgated pursuant thereto, exists in a restaurant or bed and
24 breakfast facility and the critical violation constitutes an imminent or present danger to the public
25 health, the director may order immediate correction, use of an approved alternative procedure or
26 closure of the restaurant or bed and breakfast facility by written notice thereof to the operator. The
27 inspection report carrying a statement ordering closure and specifying the reasons therefor signed
28 by the director and delivered to the operator may serve as the written notice of the closure. The
29 director shall use inspection forms that clearly display notice that procedures are available to the
30 licensee under ORS chapter 183 for appeal of the closure order. A copy of the notice shall be filed
31 with the records of the Oregon [*Health Authority*] **Department of Health**. The closure order shall
32 have the effect of an immediate revocation of the operator's license. If requested, the director shall
33 provide a prompt hearing after the closure in accordance with ORS chapter 183.

34 (3) If the director determines that closure of the restaurant or bed and breakfast facility is
35 necessary because failure to correct a critical violation or implement an approved alternative pro-
36 cedure constitutes a potential danger to the public health, or failure to correct a critical violation
37 or implement an approved alternative procedure constitutes an imminent or present danger to the
38 public health, the director shall:

39 (a) Notify the owner or person in charge of the restaurant or bed and breakfast facility that
40 such restaurant or bed and breakfast facility shall not be used for food service purposes until the
41 critical violations specified in the inspection report have been corrected; and

42 (b) Post a notice of closure upon the restaurant or bed and breakfast facility at the customary
43 entrance to the restaurant or bed and breakfast facility in public view to the effect that the res-
44 taurant or bed and breakfast facility is closed for operation because a critical violation exists.

45 (4)(a) No person shall remove a notice of closure from a restaurant or bed and breakfast facility

1 until the violation which caused the notice to be posted has been corrected.

2 (b) No person shall operate a restaurant or bed and breakfast facility upon which a notice of
3 closure has been posted until the violation which caused the notice to be posted has been corrected
4 and the notice has been removed.

5 (5) The director shall define clearly the criteria and rules for conformance to acceptable food
6 service practices used to determine the restaurant or bed and breakfast facility sanitation score to
7 insure statewide uniformity in the inspection and licensing processes. Critical violations which
8 constitute a potential danger to the public health and critical violations which constitute an immi-
9 nent or present danger to the public health shall be clearly defined. Minimum acceptable food ser-
10 vice standard procedures shall be clearly defined by setting a minimum acceptable sanitation score
11 for a licensed restaurant or bed and breakfast facility.

12 (6) If a restaurant or bed and breakfast facility obtains a sanitation score of less than the min-
13 imum acceptable standard, the restaurant or bed and breakfast facility operator or person in charge
14 of the restaurant or bed and breakfast facility shall be notified of impending closure if, after rein-
15 spection within 30 days, the sanitation score does not meet minimum acceptable food service stan-
16 dards. If closure action is taken after reinspection, the restaurant or bed and breakfast facility may
17 not be operated until the restaurant or bed and breakfast facility operator submits a plan for cor-
18 rection of the violations that receives the approval of the director and a subsequent inspection of
19 the restaurant or bed and breakfast facility produces a sanitation score that meets minimum ac-
20 ceptable food service standards.

21 (7) The [authority] **department** may establish a more frequent inspection schedule for a restau-
22 rant licensed under ORS 624.020 that fails to meet specific minimum standards established by the
23 [authority] **department**. The [authority] **department** may charge a fee for costs associated with the
24 performance of additional inspections.

25 (8) As used in this section, "imminent" means impending or likely to develop without delay.

26 **SECTION 1544.** ORS 624.077 is amended to read:

27 624.077. The Oregon [Health Authority] **Department of Health** shall make such rating surveys
28 as are necessary to obtain uniform enforcement of ORS 624.010 to 624.121 throughout the state, and
29 shall prepare and disseminate information pertaining to educational programs for the purpose of
30 encouraging compliance with ORS 624.010 to 624.121 on the part of owners, managers and employees
31 of eating and drinking establishments.

32 **SECTION 1545.** ORS 624.080 is amended to read:

33 624.080. (1) The Oregon [Health Authority] **Department of Health** may, by rule, define certain
34 communicable diseases that are capable of being spread to the public by employees of a restaurant,
35 bed and breakfast facility, intermittent temporary restaurant, seasonal temporary restaurant or
36 single-event temporary restaurant.

37 (2) A person who is affected with a communicable disease described in subsection (1) of this
38 section or is a carrier of such disease may not work in any restaurant, bed and breakfast facility,
39 intermittent temporary restaurant, seasonal temporary restaurant or single-event temporary restau-
40 rant. A restaurant, bed and breakfast facility, intermittent temporary restaurant, seasonal temporary
41 restaurant or single-event temporary restaurant may not employ a person who is affected with,
42 carries or is suspected of being affected with or carrying any communicable disease. If the restau-
43 rant, bed and breakfast facility, intermittent temporary restaurant, seasonal temporary restaurant
44 or single-event temporary restaurant manager suspects that any employee has contracted any dis-
45 ease in a communicable form or has become a carrier of such disease, the manager shall notify the

1 Director of the Oregon [*Health Authority*] **Department of Health** immediately. A placard containing
2 this subsection shall be posted in all toilet rooms.

3 (3) When suspicion arises as to the possibility of transmission of infection from any restaurant,
4 bed and breakfast facility, intermittent temporary restaurant, seasonal temporary restaurant or
5 single-event temporary restaurant employee, the director may require any or all of the following
6 measures:

7 (a) The immediate exclusion of the employee from all restaurants, bed and breakfast facilities,
8 intermittent temporary restaurants, seasonal temporary restaurants and single-event temporary res-
9 taurants; and

10 (b) Adequate medical examinations of the employee and associates of the employee, with such
11 laboratory examinations as may be indicated.

12 **SECTION 1546.** ORS 624.082 is amended to read:

13 624.082. (1) A person may not operate an intermittent temporary restaurant without first pro-
14 curing a license to do so from the Oregon [*Health Authority*] **Department of Health**. The intermit-
15 tent temporary restaurant license shall be posted in a conspicuous place on the premises of the
16 licensee.

17 (2) Application for an intermittent temporary restaurant license shall be in writing in the form
18 prescribed by the [*authority*] **department** and shall contain the name and address of the applicant,
19 the specific location of the intermittent temporary restaurant, a description of the public gatherings,
20 entertainment events, food product promotions or other events to be served by the intermittent
21 temporary restaurant, an operating plan and any other information the [*authority*] **department** may
22 require. Except as provided in ORS 624.106, an applicant for an intermittent temporary restaurant
23 license or renewal of an intermittent temporary restaurant license shall pay to the [*authority*] **de-**
24 **partment** the appropriate license fee under ORS 624.490.

25 (3) An intermittent temporary restaurant license shall expire 30 days after issuance. However,
26 the license shall terminate immediately if:

27 (a) The intermittent temporary restaurant prepares or serves food for consumption by the public
28 that is not in connection with a public gathering, entertainment event, food product promotion or
29 other event held by an oversight organization;

30 (b) The location of the intermittent temporary restaurant changes; or

31 (c) The menu is substantially altered as defined by [*authority*] **department** rules.

32 (4) The Director of the Oregon [*Health Authority*] **Department of Health** may suspend, deny
33 or revoke an intermittent temporary restaurant license if it appears, after a reasonable time has
34 been given for correction of a sanitation violation, that the applicant does not meet applicable
35 minimum sanitation standards as described in ORS 624.010 to 624.121 or in a rule adopted under
36 ORS 624.010 to 624.121. Any suspension, denial or revocation action shall be taken in accordance
37 with ORS chapter 183.

38 **SECTION 1547.** ORS 624.084 is amended to read:

39 624.084. (1) A person may not operate a seasonal temporary restaurant without first procuring
40 a license to do so from the Oregon [*Health Authority*] **Department of Health**. The seasonal tempo-
41 rary restaurant license shall be posted in a conspicuous place on the premises of the licensee.

42 (2) Application for a seasonal temporary restaurant license shall be in writing in the form pre-
43 scribed by the [*authority*] **department** and shall contain the name and address of the applicant, the
44 specific location of the seasonal temporary restaurant, the name of the oversight organization ar-
45 ranging the public gatherings, entertainment events, food product promotions or other events to be

1 served by the seasonal temporary restaurant, an operating plan and any other information the [au-
2 thority] **department** may require. Except as provided in ORS 624.106, an applicant for a seasonal
3 temporary restaurant license or renewal of a seasonal temporary restaurant license shall pay to the
4 [authority] **department** the appropriate license fee under ORS 624.490.

5 (3) A seasonal temporary restaurant license shall expire 90 days after issuance. However, a li-
6 cense shall terminate immediately if:

7 (a) The seasonal temporary restaurant prepares or serves food for consumption by the public
8 that is not in connection with a public gathering, entertainment event, food product promotion or
9 other event held by the oversight organization identified in the license application for the seasonal
10 temporary restaurant;

11 (b) The location of the seasonal temporary restaurant changes; or

12 (c) The menu is substantially altered as defined by [authority] **department** rules.

13 (4) The Director of the Oregon [Health Authority] **Department of Health** may suspend, deny
14 or revoke a seasonal temporary restaurant license if it appears, after a reasonable time has been
15 given for correction of a sanitation violation, that the applicant does not meet applicable minimum
16 sanitation standards as described in ORS 624.010 to 624.121 or in a rule adopted under ORS 624.010
17 to 624.121. Any suspension, denial or revocation action shall be taken in accordance with ORS
18 chapter 183.

19 **SECTION 1548.** ORS 624.086 is amended to read:

20 624.086. (1) A person may not operate a single-event temporary restaurant without first procur-
21 ing a license to do so from the Oregon [Health Authority] **Department of Health**. The single-event
22 temporary restaurant license shall be posted in a conspicuous place on the premises of the licensee.

23 (2) Application for a single-event temporary restaurant license shall be in writing in the form
24 prescribed by the [authority] **department** and shall contain the name and address of the applicant,
25 the specific location of the single-event temporary restaurant and any other information the [au-
26 thority] **department** may require.

27 (3) All single-event temporary restaurant licenses shall terminate 30 days after issuance unless
28 within the 30 days the single-event temporary restaurant is discontinued or is moved from the spe-
29 cific location for which the license was issued. If within 30 days after issuance the single-event
30 temporary restaurant is discontinued or moved from the specific location for which the license was
31 issued, the license shall terminate upon the discontinuance or the removal.

32 (4) Except as provided in ORS 624.106, every applicant for a single-event temporary restaurant
33 license or renewal of a single-event temporary restaurant license shall pay to the [authority] **de-**
34 **partment** the appropriate license fee under ORS 624.490.

35 (5) The Director of the Oregon [Health Authority] **Department of Health** may suspend, deny
36 or revoke any single-event temporary restaurant license if it appears, after a reasonable time has
37 been given for correction of a sanitation violation, that the applicant does not meet applicable
38 minimum sanitation standards as outlined in ORS 624.010 to 624.121 or any rule adopted thereunder.
39 Any suspension, denial or revocation action shall be taken in accordance with ORS chapter 183.

40 **SECTION 1549.** ORS 624.091 is amended to read:

41 624.091. (1) At least once during the operation of a single-event temporary restaurant, the Di-
42 rector of the Oregon [Health Authority] **Department of Health** shall inspect the facilities and op-
43 eration. The person operating the single-event temporary restaurant shall, upon request of the
44 director, permit access to all parts of the establishment.

45 (2) The director shall conduct an operational review of an intermittent temporary restaurant or

1 seasonal temporary restaurant. The director may charge a reasonable fee established by rule for
 2 conducting the operational review. The director shall inspect the facilities and operation of an in-
 3 termittent temporary restaurant or seasonal temporary restaurant at least once during the term of
 4 the license. The person operating the intermittent temporary restaurant or seasonal temporary res-
 5 taurant shall, upon request of the director, permit access to all parts of the establishment.

6 (3) One copy of the inspection report shall be posted by the director on the establishment
 7 premises. A person other than the director may not remove or deface the inspection report during
 8 the term of the license. The director shall file a copy of the inspection report in the records of the
 9 Oregon *[Health Authority]* **Department of Health**.

10 **SECTION 1550.** ORS 624.096 is amended to read:

11 624.096. If a violation of any provision of ORS 624.010 to 624.121 or any rule adopted under ORS
 12 624.010 to 624.121 comes to the attention of the Director of the Oregon *[Health Authority]* **Depart-**
 13 **ment of Health** and the violation is of such a nature as to constitute a serious hazard to the health
 14 of the public, the director may immediately close an intermittent temporary restaurant, seasonal
 15 temporary restaurant or single-event temporary restaurant by giving written notice to the operator.
 16 The inspection report carrying a statement ordering closure and signed by the director delivered to
 17 the operator may serve as the written notice of the closure. The director shall file a copy of the
 18 notice in the records of the Oregon *[Health Authority]* **Department of Health**. The closure order
 19 shall have the effect of an immediate revocation of the operator's license. The director shall, if re-
 20 quested, provide a prompt hearing after closure in accordance with ORS chapter 183.

21 **SECTION 1551.** ORS 624.106 is amended to read:

22 624.106. (1)(a) The Oregon *[Health Authority]* **Department of Health** shall issue a license to a
 23 benevolent organization to operate a single-event temporary restaurant pursuant to this section if
 24 the benevolent organization has notified the *[authority]* **department**, orally or in writing, that the
 25 benevolent organization intends to operate a single-event temporary restaurant. The *[authority]* **de-**
 26 **partment** shall provide at least one place in each county at which such notification may be made.

27 (b) Notwithstanding ORS 624.490 or 624.650, the *[authority]* **department**, or a local public health
 28 authority as provided under ORS 624.510, may not charge a benevolent organization a license fee
 29 or inspection fee for a single-event temporary restaurant licensed under this subsection.

30 (2) The *[authority]* **department** shall issue a single-event temporary restaurant license to each
 31 restaurant service provider at a special event arranged by a benevolent organization. The license
 32 shall be provided without fee to each restaurant service provider who files with the benevolent or-
 33 ganization a signed statement that the service provider receives no profit from restaurant services
 34 performed at the special event. The statement shall be subject to inspection by the *[authority]* **de-**
 35 **partment** at the time inspections are made pursuant to ORS 624.111. A benevolent organization may
 36 not arrange more than one special event per calendar year for which restaurant service providers
 37 are licensed without charge under this subsection.

38 **SECTION 1552.** ORS 624.111 is amended to read:

39 624.111. (1) At any time during the operation of a single-event temporary restaurant licensed
 40 under ORS 624.106, the Director of the Oregon *[Health Authority]* **Department of Health** may in-
 41 spect the facilities and operation.

42 (2) The benevolent organization or service provider operating the single-event temporary res-
 43 taurant shall, upon request of the director, permit access to all parts of the establishment.

44 **SECTION 1553.** ORS 624.116 is amended to read:

45 624.116. The Director of the Oregon *[Health Authority]* **Department of Health** may declare that

1 an extraordinary situation exists and may apply alternative food service criteria in an establishment
 2 operated to prepare or serve food or beverages to indigent or needy persons by a benevolent or-
 3 ganization, as defined by ORS 624.101, without charge or solicitation from those served.

4 **SECTION 1554.** ORS 624.121 is amended to read:

5 624.121. The Oregon [*Health Authority*] **Department of Health** shall appoint a State Food Ser-
 6 vice Advisory Committee. The committee shall consist of volunteer representatives from a cross
 7 section of the food service industry, the general public, appropriate local and state groups, county
 8 environmental health specialists and other appropriate state agencies, including the State Depart-
 9 ment of Agriculture. In addition to such other duties as may be prescribed by the [*authority*] **Oregon**
 10 **Department of Health**, the committee, not later than October 1 of each even-numbered year, shall
 11 submit to the [*authority*] **department** and the Legislative Assembly recommendations regarding the
 12 implementation of ORS 624.020, 624.060, 624.073, 624.495 and 624.510.

13 **SECTION 1555.** ORS 624.165 is amended to read:

14 624.165. (1) Subject to ORS 624.070, game meat that has been donated to a charitable organiza-
 15 tion and has been inspected and processed as provided in ORS 619.095 may be served for human
 16 consumption by that charitable organization.

17 (2) As used in subsection (1) of this section:

18 (a) "Charitable organization" means the Department of Human Services, Oregon [*Health Au-*
 19 *thority*] **Department of Health**, Oregon Youth Authority, Department of Corrections institutions,
 20 low-income nutritional centers, public school nutritional centers, senior nutritional centers, state
 21 hospitals and other charitable organizations or public institutions approved by the State Department
 22 of Fish and Wildlife.

23 (b) "Game meat" includes antelope, bighorn sheep, deer, elk, moose and mountain goat.

24 **SECTION 1556.** ORS 624.310 is amended to read:

25 624.310. As used in ORS 624.310 to 624.430 unless the context requires otherwise:

26 (1) "Approved" means approved by the administrator.

27 [(2) "*Authority*" means the Oregon Health Authority.]

28 [(3)] (2) "Commissary" means commissary catering establishment, restaurant or any other place
 29 in which food, beverage, ingredients, containers or supplies are kept, handled, prepared or stored,
 30 and from which vending machines or mobile units are serviced.

31 [(4) "*Director*" means the Director of the Oregon Health Authority.]

32 [(5)] (3) "Employee" means any operator or any person employed by an operator who handles
 33 any food, beverage, or ingredient to be dispensed through vending machines or mobile units, or who
 34 comes into contact with product contact surfaces of the container, equipment, utensils or packaging
 35 materials, used in connection with vending machines or mobile unit operations, or who otherwise
 36 services or maintains one or more such machines or units.

37 [(6)] (4) "Food" means any raw, cooked or processed edible substance, beverage or ingredient
 38 used or intended for use in whole, or in part, for human consumption.

39 [(7)] (5) "Machine location" means the room, enclosure, space or area where one or more
 40 vending machines are installed and are in operation.

41 [(8)] (6) "Mobile unit" means any vehicle on which food is prepared, processed or converted or
 42 which is used in selling and dispensing food to the ultimate consumer.

43 [(9)] (7) "Operator" means any person, who by contract, agreement or ownership is responsible
 44 for operating a commissary or warehouse or furnishing, installing, servicing, operating or maintain-
 45 ing one or more vending machines or mobile units.

1 [(10)] (8) "Person" means any individual, partnership, corporation, company, firm, institution,
2 association or any other public or private entity.

3 [(11)] (9) "Product contact surface" means any surface of the vending machine or mobile unit,
4 appurtenance or container which comes into direct contact with any food, beverage or ingredient.

5 [(12)] (10) "Readily perishable food" means any food, beverage or ingredient consisting in whole
6 or in part of milk, milk products, eggs, meat, fish, poultry, or any other food capable of supporting
7 rapid and progressive growth of microorganisms which can cause food infections or food
8 intoxications. However, "readily perishable food" does not include products in hermetically sealed
9 containers processed by heat to prevent spoilage or dehydrated, dry or powdered products which
10 are so low in moisture content as to preclude development of microorganisms.

11 [(13)] (11) "Single-service article" means any utensil, container, implement or wrapper intended
12 for use only once in the preparation, storage, display, service or consumption of food or beverage.

13 [(14)] (12) "Utensil" means any kitchenware, tableware, glassware, cutlery, container, cleaning
14 brush or other equipment that comes into contact with food or product contact surfaces during
15 cleaning of vending machines, mobile units or commissary equipment, or during storage, preparation,
16 serving, dispensing or consumption of food.

17 [(15)] (13) "Vending machine" means any self-service device offered for public use which, upon
18 insertion of a coin, coins, currency or token, or by other means, dispenses unit servings of food or
19 beverage, either in bulk or package, without the necessity of replenishing the device between each
20 vending operation.

21 [(16)] (14) "Warehouse" means any place where food, utensils, single-service articles, cleaning
22 or servicing supplies for vending machines, mobile units or commissaries are stored.

23 **SECTION 1557.** ORS 624.320 is amended to read:

24 624.320. (1) A person may not operate a vending machine, warehouse, commissary or mobile unit
25 without first procuring a license to do so from the Oregon [*Health Authority*] **Department of**
26 **Health**. The operator shall post the license in a conspicuous place in the warehouse or commissary.
27 The operator shall affix a card, emblem or other device clearly showing the name and address of the
28 licensee and the serial number of the license to each vending machine or mobile unit as the case
29 may be.

30 (2) Application for the license shall be in writing in the form prescribed by the [*authority*] **de-**
31 **partment** and shall contain the following information:

- 32 (a) Name and address of the applicant.
33 (b) Location of all warehouses or commissaries.
34 (c) Locations where supplies are kept.
35 (d) Locations where vending machines or mobile units are stored, repaired or renovated.
36 (e) Identity and form of food to be dispensed through vending machines.
37 (f) Number of each type of vending machine on location.

38 (3) The operator must keep the specific locations of the vending machines and specific itiner-
39 aries of the mobile units on file at the operator's business office and readily available to the [*au-*
40 *thority*] **department**. If the mobile unit is moved to a delegate county other than a delegate county
41 that licensed the mobile unit, the operator shall notify the local health department for the county
42 to which the mobile unit is moved prior to operating the mobile unit within that county. The oper-
43 ator shall furnish the [*authority*] **department** with written details of the conversion of any vending
44 machine to dispense products other than those for which the license was issued.

45 **SECTION 1558.** ORS 624.330 is amended to read:

1 624.330. (1) Vending machines dispensing only ball chewing gum, nutmeats and the following
2 prepackaged foods: Candy, chewing gum, nutmeats, potato chips, pretzels, popcorn, cookies, crackers
3 and bottled or canned soft drink beverages shall be exempt from the provisions of ORS 624.320 and
4 624.430.

5 (2) The Oregon [*Health Authority*] **Department of Health** may, by rule, exempt certain other
6 types of vending machines from the license requirements of ORS 624.310 to 624.430 when it appears
7 that there is no danger to the life and health of the people of this state.

8 (3) The provisions of ORS 624.310 to 624.430 do not include commissaries, mobile units or
9 vending machines which are presently licensed and inspected by the State Department of Agricul-
10 ture or United States Public Health Service.

11 **SECTION 1559.** ORS 624.355 is amended to read:

12 624.355. The Oregon [*Health Authority*] **Department of Health** shall make reasonable rules for
13 carrying out the provisions of ORS 624.310 to 624.430, including but not limited to the following:

14 (1) Construction and operation of commissaries, mobile units and vending machines.

15 (2) Water supply adequate in quantity and safe for human consumption.

16 (3) Disposal of sewage, refuse and other wastes in a manner that will not create a nuisance or
17 health hazard.

18 (4) Cleanliness of premises and facilities.

19 (5) Refrigeration of perishable foods and the wholesomeness of all food and beverage ingredients.

20 (6) Protection of food, utensils, wrapping and serving materials against dust, dirt and contam-
21 ination.

22 (7) Equipment of proper construction and the maintenance of such equipment.

23 (8) Approved plumbing.

24 (9) Sanitary facilities for employees in commissaries.

25 (10) Control and exclusion of insects and rodents.

26 (11) Labeling of foods or beverages.

27 (12) Exclusion of vending machines dispensing chemicals, sanitizers, detergents, economic poi-
28 sons and such other compounds of similar nature from immediate areas where food and beverage
29 vending machines are located.

30 (13) Approval of plans for commissaries, mobile units and vending machines.

31 **SECTION 1560.** ORS 624.370 is amended to read:

32 624.370. (1) At least once every six months, the Director of the Oregon [*Health Authority*] **De-**
33 **partment of Health** shall inspect every commissary and warehouse, and a representative number
34 of each operator's mobile units and vending machines. The director shall be granted access at rea-
35 sonable times to all parts of the commissary and shall have access, either in the company of an
36 employee or otherwise, to the interior of all vending machines or mobile units of the operator at
37 such times as the director considers necessary to ensure compliance with the provisions of ORS
38 624.310 to 624.430.

39 (2) Samples of food, drink and other substances may be taken and examined by the director as
40 often as may be necessary for the detection of unwholesomeness or adulteration. The director may
41 condemn and prohibit the sale of or cause to be removed or destroyed, any food or drink which
42 contains any toxic, contaminated, filthy, putrid, decomposed or diseased substance or if it is other-
43 wise unfit for human consumption.

44 (3) One copy of the inspection report shall be posted by the director upon an inside wall of the
45 commissary or placed in the mobile unit. The inspection report shall not be defaced or removed by

1 any person except the director. A copy of the inspection report on vending machines shall be sent
2 to the operator. Another copy of each inspection report shall be filed with the records of the Oregon
3 [*Health Authority*] **Department of Health**.

4 (4) If the director discovers the violation of any provision of ORS 624.310 to 624.430 or any rule
5 promulgated thereunder, the director shall make a second inspection after the lapse of such time
6 as the director considers necessary for the defect to be remedied.

7 (5) If a violation is of a nature so as to constitute a danger to the health of the people of this
8 state, the director may order immediate closure of the commissary, mobile unit, or vending machine
9 and shall, within 24 hours of the time of inspection, mail to or serve personally on the licensee a
10 copy of the inspection report signed by the director showing thereon the particular facility closed
11 and the reason. The director shall, if requested, hold a hearing in accordance with ORS chapter 183.

12 **SECTION 1561.** ORS 624.400 is amended to read:

13 624.400. The Oregon [*Health Authority*] **Department of Health** shall make such surveys as are
14 necessary to obtain uniform enforcement of ORS 624.310 to 624.430 throughout the state and shall
15 prepare and disseminate information and shall cooperate with and assist local health departments
16 in educational programs for the purpose of encouraging compliance with ORS 624.310 to 624.430 on
17 the part of operators and employees of vending machines and mobile units.

18 **SECTION 1562.** ORS 624.410 is amended to read:

19 624.410. (1) Foods from commissaries or other sources outside the jurisdiction of the Oregon
20 [*Health Authority*] **Department of Health** may be sold in the local jurisdiction if such commissaries
21 or other sources of supply conform to the provisions of ORS 624.310 to 624.430 and the rules
22 promulgated under ORS 624.310 to 624.430 or to substantially equivalent provisions.

23 (2) The [*authority*] **department** shall investigate and survey the system of regulations in effect
24 for commissaries or sources of supply outside the state. Upon determination that the regulations in
25 effect are of a quality substantially equal to the rules of ORS 624.310 to 624.430, the [*authority*]
26 **department** may permit such commissaries or sources of supply to be used in the state.

27 **SECTION 1563.** ORS 624.415 is amended to read:

28 624.415. The Director of the Oregon [*Health Authority*] **Department of Health** may deny, sus-
29 pend or revoke a license in accordance with ORS chapter 183 in any case where the director finds
30 that there has been a substantial failure to comply with the provisions of ORS 624.310 to 624.430
31 or the rules promulgated under ORS 624.310 to 624.430.

32 **SECTION 1564.** ORS 624.425 is amended to read:

33 624.425. (1) A person who is affected with a communicable disease described in ORS 624.080 (1)
34 or is a carrier of such disease may not work in any commissary, mobile unit or in the servicing of
35 vending machines, nor may any operator employ any such person or any person suspected of being
36 affected with any communicable disease or of being a carrier of such disease. If the operator sus-
37 pects that any employee has an infectious disease in a communicable form or may be a carrier of
38 such a disease, the operator shall notify the Director of the Oregon [*Health Authority*] **Department**
39 **of Health** immediately. A placard containing this section shall be posted in all toilet rooms.

40 (2) When, in the opinion of the director, there is a possibility of transmission of infection from
41 any person or employee, the director may require the immediate exclusion of such person or em-
42 ployee from all commissaries, mobile units and vending machines and may require a medical exam-
43 ination of the person or employee and associates of the person or employee, including such
44 laboratory examinations as may be indicated.

45 **SECTION 1565.** ORS 624.430 is amended to read:

1 624.430. (1) Except as provided in ORS 624.330, every applicant for a license to operate a
2 commissary, vending machine, warehouse or mobile unit shall pay to the Oregon [*Health Authority*]
3 **Department of Health** the appropriate annual fee set forth in ORS 624.490.

4 (2) All licenses issued under ORS 624.320 expire annually on a date set by [*authority*] **depart-**
5 **ment** rule. A license is not transferable. The [*authority*] **department** may not issue a refund repre-
6 senting any unused portion of a license. The [*authority*] **department** may not refund fees submitted
7 with applications that have been denied.

8 **SECTION 1566.** ORS 624.490 is amended to read:

9 624.490. (1) The Oregon [*Health Authority*] **Department of Health** may charge the following fees
10 for the issuance or renewal of licenses:

11 (a) \$200 for a bed and breakfast facility.

12 (b) \$335 for a limited service restaurant.

13 (c) For a restaurant in accordance with seating capacity, as follows:

14 (A) \$530 for 0 to 15 seats;

15 (B) \$600 for 16 to 50 seats;

16 (C) \$700 for 51 to 150 seats; and

17 (D) \$770 for more than 150 seats.

18 (d) For an intermittent temporary restaurant, \$75.

19 (e) For a seasonal temporary restaurant, \$75.

20 (f) For a single-event temporary restaurant, except as provided in ORS 624.106:

21 (A) \$50 for an event lasting one day; and

22 (B) \$75 for an event lasting two days or longer.

23 (g) \$350 for a commissary.

24 (h) \$180 for each warehouse.

25 (i) \$255 for each mobile unit.

26 (j) For vending machines in accordance with the number of machines covered by the license as
27 follows:

28 (A) \$90 for 1 to 10 machines;

29 (B) \$140 for 11 to 20 machines;

30 (C) \$200 for 21 to 30 machines;

31 (D) \$300 for 31 to 40 machines;

32 (E) \$320 for 41 to 50 machines;

33 (F) \$330 for 51 to 75 machines;

34 (G) \$390 for 76 to 100 machines;

35 (H) \$510 for 101 to 250 machines;

36 (I) \$800 for 251 to 500 machines;

37 (J) \$1,000 for 501 to 750 machines;

38 (K) \$1,500 for 751 to 1,000 machines;

39 (L) \$1,600 for 1,001 to 1,500 machines; and

40 (M) \$1,700 for more than 1,500 machines.

41 (2) Except as provided in this subsection, to reinstate an expired license the operator must pay
42 a reinstatement fee of \$100 in addition to the license fee required under subsection (1) of this sec-
43 tion. The reinstatement fee does not apply to the reinstatement of an expired intermittent temporary
44 restaurant, seasonal temporary restaurant or single-event temporary restaurant license. If the oper-
45 ator reinstates the license more than 30 days after the expiration date, the reinstatement fee shall

1 increase by \$100 on the 31st day following the expiration date and on that day of the month in each
2 succeeding month until the license is reinstated.

3 (3) Notwithstanding subsection (1) of this section, the Oregon [*Health Authority*] **Department**
4 **of Health** or a local public health authority as provided under ORS 624.510 may exempt or reduce
5 the license fee for restaurants operated by benevolent organizations that provide food or beverages
6 primarily to children, the elderly, the indigent or other needy populations if the persons receiving
7 the food or beverages are not required to pay the full cost of the food or beverages. As used in this
8 subsection, “benevolent organization” has the meaning given that term in ORS 624.101.

9 **SECTION 1567.** ORS 624.495 is amended to read:

10 624.495. (1) The Oregon [*Health Authority*] **Department of Health** shall adopt rules establishing
11 a foodborne illness prevention program for the purpose of protecting the public health. Unless an
12 agreement entered into under ORS 624.530 provides otherwise, the program may include, but need
13 not be limited to, provisions for preventing the spread of communicable disease through food service
14 facilities that are subject to licensing by the [*authority*] **department** under this chapter and for ef-
15 fective and rapid response to terrorism events related to those facilities.

16 (2) A program established by the Oregon [*Health Authority*] **Department of Health** under this
17 section must provide for a local public health authority that enters into an intergovernmental
18 agreement under ORS 624.510 to undertake primary responsibility for the delivery of program ser-
19 vices within the jurisdiction of the local public health authority. A program must also provide for
20 extensive monitoring and review by the Oregon [*Health Authority*] **Department of Health** of local
21 public health authority performance of program services under an intergovernmental agreement.

22 (3) The Oregon [*Health Authority*] **Department of Health** shall consult with groups representing
23 local health officials within the state and statewide restaurant associations in the development of
24 rules adopted under this section and prior to preparing an intergovernmental agreement delegating
25 administration and enforcement of all or part of the foodborne illness prevention program to a local
26 public health authority.

27 **SECTION 1568.** ORS 624.510 is amended to read:

28 624.510. (1) The Director of the Oregon [*Health Authority*] **Department of Health** shall enter
29 into an intergovernmental agreement with each local public health authority, delegating to the local
30 public health authority the administration and enforcement within the jurisdiction of the local public
31 health authority of the powers, duties and functions of the director under ORS 624.010 to 624.121,
32 624.310 to 624.430, 624.650 and 624.992. The intergovernmental agreement must describe the powers,
33 duties and functions of the local public health authority relating to fee collection, licensing, in-
34 spections, enforcement, civil penalties and issuance and revocation of permits and certificates,
35 standards for enforcement by the local public health authority and the monitoring to be performed
36 by the Oregon [*Health Authority*] **Department of Health**. The Oregon [*Health Authority*] **Depart-**
37 **ment of Health** shall review the performance of the local public health authority under any expir-
38 ing intergovernmental agreement. The review shall include criteria to determine if provisions of
39 ORS 624.073 are uniformly applied to all licensees within the jurisdiction of the local public health
40 authority. In accordance with ORS chapter 183, the director may suspend or rescind an intergov-
41 ernmental agreement under this subsection. If the Oregon [*Health Authority*] **Department of Health**
42 suspends or rescinds an intergovernmental agreement, the unexpended portion of the fees collected
43 under subsection (2) of this section shall be available to the Oregon [*Health Authority*] **Department**
44 **of Health** for carrying out the powers, duties and functions under this section.

45 (2) A local public health authority shall collect fees on behalf of the Oregon [*Health Authority*]

1 **Department of Health** that are adequate to cover the administration and enforcement costs in-
 2 curred by the local public health authority under this section and the cost of oversight by the
 3 Oregon [*Health Authority*] **Department of Health**. If the fee collected by a local public health au-
 4 thority for a license or service is more than 20 percent above or below the fee for that license or
 5 service charged by the Oregon [*Health Authority*] **Department of Health**, the Oregon [*Health Au-*
 6 *thority*] **Department of Health** shall analyze the local public health authority fee process and de-
 7 termine whether the local public health authority used the proper cost elements in determining the
 8 fee and whether the amount of the fee is justified. Cost elements may include, but need not be lim-
 9 ited to, expenses related to administration, program costs, salaries, travel expenses and Oregon
 10 [*Health Authority*] **Department of Health** consultation fees. If the Oregon [*Health Authority*] **De-**
 11 **partment of Health** determines that the local public health authority did not use the proper cost
 12 elements in determining the fee or that the amount of the fee is not justified, the Oregon [*Health*
 13 *Authority*] **Department of Health** may order the local public health authority to reduce any fee to
 14 a level supported by the Oregon [*Health Authority's*] **Department of Health's** analysis of the fee
 15 process.

16 (3) The Oregon [*Health Authority*] **Department of Health**, after consultation with groups rep-
 17 resenting local health officials in the state, shall by rule assess a remittance from each local public
 18 health authority to which health enforcement powers, duties or functions have been delegated under
 19 subsection (1) of this section. The amount of the remittance must be specified in the intergovern-
 20 mental agreement. The remittance shall supplement existing funds for consultation services and de-
 21 velopment and maintenance of the statewide food service program. The Oregon [*Health Authority*]
 22 **Department of Health** shall consult with groups representing local health officials in the state and
 23 statewide restaurant associations in developing the statewide food service program.

24 (4) In any action, suit or proceeding arising out of local public health authority administration
 25 of functions pursuant to subsection (1) of this section and involving the validity of a rule adopted
 26 by the Oregon [*Health Authority*] **Department of Health**, the Oregon [*Health Authority*] **Depart-**
 27 **ment of Health** shall be made a party to the action, suit or proceeding.

28 **SECTION 1569.** ORS 624.530 is amended to read:

29 624.530. Notwithstanding any provision of ORS 624.010 to 624.121 or 624.310 to 624.430 or stat-
 30 utes administered by the State Department of Agriculture, the Director of the Oregon [*Health Au-*
 31 *thority*] **Department of Health** and the Director of Agriculture jointly shall adopt rules and enter
 32 into interagency agreements necessary to ensure that only one of the agencies inspects and licenses
 33 any facility that is subject to regulation by both agencies.

34 **SECTION 1570.** ORS 624.550 is amended to read:

35 624.550. An intergovernmental agreement described in ORS 624.510 must encourage and au-
 36 thorize a local public health authority to which health enforcement powers, duties or functions have
 37 been delegated pursuant to ORS 624.510 to appoint a food service advisory committee consisting of
 38 volunteer representatives from a cross section of the food service industry and the general public.
 39 A committee established by a local public health authority may:

40 (1) Make recommendations to the local public health authority regarding the administration and
 41 enforcement by the local **public health** authority of powers, duties and functions under an existing
 42 or proposed intergovernmental agreement; and

43 (2) Review and provide to the Oregon [*Health Authority*] **Department of Health** an evaluation
 44 of the effectiveness of this chapter and any foodborne illness prevention program adopted by the
 45 Oregon [*Health Authority*] **Department of Health** by rule under ORS 624.495.

1 **SECTION 1571.** ORS 624.560 is amended to read:

2 624.560. (1) A person may apply to the Oregon [*Health Authority*] **Department of Health** for a
3 variance from one or more rules of the [*authority*] **department** regarding food sanitation, including
4 but not limited to rules regarding personnel, food protection, equipment and facilities, utilities and
5 plan review. An application for a variance must be accompanied by a fee of \$500. If the
6 [*authority*] **department** grants the variance, the [*authority*] **department** shall state the terms and
7 conditions of the variance.

8 (2) The [*authority*] **department** shall adopt rules establishing requirements for applications and
9 variances under this section.

10 (3) The [*authority*] **department** may not delegate the granting of variances under this section.

11 **SECTION 1572.** ORS 624.570 is amended to read:

12 624.570. (1)(a) Except as provided in subsection (6) of this section, any person involved in the
13 preparation or service of food in a restaurant or food service facility licensed under ORS 624.020
14 or 624.320 must successfully complete a food handler training program and earn a certificate of
15 program completion within 30 days after the date of hire. The person shall thereafter maintain a
16 valid completion certificate at all times during the employment.

17 (b) A food handler training program offered by the Oregon [*Health Authority*] **Department of**
18 **Health** or the designated agent of the [*authority*] **department**, or offered by a local public health
19 authority or designated agent of the local public health authority that has been approved by the
20 Oregon [*Health Authority*] **Department of Health**, is valid in any jurisdiction in the state for the
21 purpose of obtaining the certificate of completion under subsection (2) of this section.

22 (2) If a person successfully completes the food handler training program required in subsection
23 (1) of this section and pays the appropriate fee, the Oregon [*Health Authority*] **Department of**
24 **Health**, a local public health authority or a designated agent shall issue a certificate of completion.
25 A food handler certificate of completion expires three years after the date of issuance.

26 (3) All local public health authorities exercising powers, duties and functions pursuant to ORS
27 624.510, shall ensure the provision of food handler training programs within the jurisdiction of the
28 local public health authority. The Oregon [*Health Authority*] **Department of Health** shall establish
29 and maintain food handler training programs in counties without authority delegated under ORS
30 624.510.

31 (4) The Oregon [*Health Authority*] **Department of Health** shall establish by rule all provisions
32 necessary to administer and enforce the provisions of this section, including but not limited to:

33 (a) Minimum standards for program content and delivery; and

34 (b) The establishment of minimum requirements for successful completion of the training.

35 (5) The Oregon [*Health Authority*] **Department of Health**, a local public health authority or a
36 designated agent shall charge a program fee to program participants. The program fee may not ex-
37 ceed \$10. A program provider may assess a new program fee each time a participant takes or re-
38 takes all or part of a program or certification exam. A fee not exceeding \$5 may be charged for
39 duplicate certificates of completion.

40 (6) Persons involved in the preparation or service of food in an intermittent temporary restau-
41 rant, seasonal temporary restaurant or single-event temporary restaurant are not required to com-
42 plete a food handler training program, but the intermittent temporary restaurant, seasonal
43 temporary restaurant or single-event temporary restaurant shall have at least one person who has
44 completed the food handler training program on the premises at all times.

45 **SECTION 1573.** ORS 624.630 is amended to read:

1 624.630. A person may not construct or extensively remodel a facility subject to licensure under
2 this chapter without first submitting construction or remodeling plans to the Oregon [*Health Au-*
3 *thority*] **Department of Health** and paying a fee to the [*authority*] **department** for review of the
4 plans. The fee shall be assessed in the following amounts:

5 (1) For initial construction:

6 (a) Of a full service restaurant, \$400.

7 (b) Of a bed and breakfast facility, \$190.

8 (c) Of a commissary, \$240.

9 (d) Of a warehouse, \$150.

10 (e) Of a limited service restaurant, \$220.

11 (f) Of a mobile unit, \$400.

12 (2) For remodeling:

13 (a) Of a full service restaurant, \$225.

14 (b) Of any facility other than a full service restaurant, \$100.

15 **SECTION 1574.** ORS 624.650 is amended to read:

16 624.650. (1) Notwithstanding any provision of ORS 624.010, 624.086, 624.091, 624.510 or 624.530,
17 a single-event temporary restaurant as defined under ORS 624.010 that is a mobile unit as defined
18 under ORS 624.310 is subject to a fee not to exceed \$25 for inspection services if the mobile unit is
19 licensed by:

20 (a) The Oregon [*Health Authority*] **Department of Health** under ORS 624.320 or a local public
21 health authority acting pursuant to an intergovernmental agreement to conduct inspections in ac-
22 cordance with ORS 624.370;

23 (b) The State Department of Agriculture or the United States Public Health Service as provided
24 under ORS 624.330; or

25 (c) Another jurisdiction and permitted to be used in this state under ORS 624.410.

26 (2) This section does not prohibit the Oregon [*Health Authority*] **Department of Health** or a
27 local public health authority delegated authority under an intergovernmental agreement described
28 in ORS 624.510 from enforcing ORS 624.420 or 624.425 or rules adopted by the Oregon [*Health Au-*
29 *thority*] **Department of Health** pursuant to ORS 624.355.

30 **SECTION 1575.** ORS 624.670 is amended to read:

31 624.670. All moneys received by the Oregon [*Health Authority*] **Department of Health** under
32 this chapter shall be paid into the State Treasury, deposited in the General Fund to the credit of
33 the Public Health Account and used exclusively by the [*authority*] **department** for the purpose of
34 carrying out the provisions of this chapter.

35 **SECTION 1576.** ORS 624.990 is amended to read:

36 624.990. (1) Violation of any provision of ORS 624.010 to 624.121 or rules of the Oregon [*Health*
37 *Authority*] **Department of Health** promulgated under ORS 624.010 to 624.121 is a Class C
38 misdemeanor.

39 (2) Violation of any provision of ORS 624.310 to 624.430 or rules of the [*authority*] **department**
40 promulgated under ORS 624.310 to 624.430 is a Class B misdemeanor.

41 **SECTION 1577.** ORS 624.992 is amended to read:

42 624.992. (1) In addition to any other penalty provided by law, the Oregon [*Health Authority*]
43 **Department of Health** may impose a civil penalty on any person for violation of ORS 624.020 (1),
44 624.060 (1), 624.060 (4), 624.070, 624.073, 624.320, 624.370, 624.425 or 624.430 or rules adopted under
45 ORS 624.010 to 624.121 or 624.355.

1 (2) After public hearing, the [authority] **department** by rule shall adopt objective criteria for
2 establishing the civil penalty that may be imposed under subsection (1) of this section.

3 (3) Civil penalties under subsection (1) of this section shall be imposed in the manner provided
4 by ORS 183.745.

5 (4) A local public health authority delegated civil penalty power under an intergovernmental
6 agreement described in ORS 624.510 shall implement that power in accordance with protocols and
7 limits established by the Oregon [Health Authority] **Department of Health** by rule. The local public
8 health authority's civil penalty power applies only to imminent and present dangers to public health
9 and to operation without a license.

10 **SECTION 1578.** ORS 628.270 is amended to read:

11 628.270. (1) The Oregon [Health Authority] **Department of Health** may, by rule, define certain
12 communicable diseases which may be spread to the public through the handling of food in refriger-
13 ated locker plants.

14 (2) A person who has a communicable or infectious disease described in subsection (1) of this
15 section may not be permitted to work in or about any refrigerated locker plant or to handle any food
16 in connection with the operation of such plant.

17 (3) In the discretion of the State Department of Agriculture, an employee of a locker plant may
18 be required to furnish a certificate of health from a physician, naturopathic physician, physician
19 assistant or nurse practitioner duly accredited by the [authority] **Oregon Department of Health** for
20 the purpose of issuing such certificates. If such certificate is required under municipal ordinance
21 upon examination deemed adequate by the [authority] **Oregon Department of Health**, a certificate
22 issued in compliance with such ordinance is sufficient under this section.

23 (4) Any health certificate required by this section shall be revoked by the [authority] **Oregon**
24 **Department of Health** at any time that the holder thereof is found, upon physical examination of
25 such holder, to have any communicable or infectious disease. Refusal of any person employed in
26 such locker plant to submit to proper and reasonable physical examination, upon written demand
27 by the [authority] **Oregon Department of Health** or the **State Department of Agriculture**, is cause
28 for revocation of the employee's health certificate and also is sufficient reason for revocation of the
29 locker plant's license unless the employee immediately is removed from any work or operation in
30 or about such locker plant involving the handling of food.

31 **SECTION 1579.** ORS 634.550 is amended to read:

32 634.550. (1) There is created a Pesticide Analytical and Response Center with a governing board
33 consisting of the following members:

34 (a) The Director of Agriculture or designee.

35 (b) The State Forester or designee.

36 (c) The State Fish and Wildlife Director or designee.

37 (d) The Director of the Department of Environmental Quality or designee.

38 (e) The Director of the Oregon [Health Authority] **Department of Health** or designee.

39 (f) The Administrator of the Occupational Safety and Health Division or designee.

40 (g) The State Fire Marshal or designee.

41 (h) The Director of the Poison Control and Drug Information Program of the Oregon Health and
42 Science University or designee.

43 (i) One citizen from the state at large appointed jointly by the Director of Agriculture and the
44 Director of the Oregon [Health Authority] **Department of Health**.

45 (2) The Director of Agriculture shall appoint an administrator for the Pesticide Analytical and

1 Response Center, who shall be responsible to the board for performance of the duties of the center
2 and the board.

3 (3) The Director of Agriculture or designee and the Director of the Oregon [*Health Authority*]
4 **Department of Health** or designee shall alternate as chairperson of the board for terms of one year
5 each. When one is serving as chairperson, the other shall serve as vice chairperson.

6 (4) The board shall seek expert consultation from the extension service toxicology program, the
7 Oregon Institute of Occupational Health Sciences and such other sources as may be needed.

8 (5) The functions of the board are to:

9 (a) Direct the activities and priorities of the administrator of the center.

10 (b) Centralize receiving of information relating to actual or alleged health and environmental
11 incidents involving pesticides.

12 (c) Mobilize expertise necessary for timely and accurate investigation of pesticide incidents and
13 analyses of associated samples.

14 (d) Identify trends and patterns of problems related to pesticide use.

15 (e) Make recommendations for action to a state agency when a majority of the board considers
16 that such action may be warranted on the basis of the findings of an incident investigation or on
17 the basis of identification of a trend or pattern of problems. Recommended actions may include, but
18 not be limited to, regulatory action, modification of administrative rules, proposal of new legislation,
19 public education and consultation to industry.

20 (f) Develop standard operating procedures for implementation by the public entities represented
21 on the board to coordinate the receipt of, and response to, pesticide-related complaints indicating
22 possible health or environmental effects.

23 (g) Report biennially to the Legislative Assembly, or to an interim committee dealing with na-
24 tural resource issues, regarding activities during the reporting period by the board and by public
25 entities represented on the board regarding the development, implementation, amendment or opera-
26 tion of standard operating procedures described in paragraph (f) of this subsection.

27 (h) Report in a standardized format the results of the investigations of pesticide incidents.

28 (i) Establish by consensus, procedures for carrying out its responsibilities within the limits of
29 available resources.

30 (j) Prepare and submit to each odd-numbered year regular session of the Legislative Assembly
31 a report of the activities of the center that includes a record of recommendations made by the board
32 and the actions resulting from the board's work.

33 (6) Upon receipt of a recommendation from the board, a state agency shall respond in a timely
34 manner to inform the board of actions taken or the reasons for taking no action on the recommen-
35 dation.

36 (7) Any medical information received by a member of the board or by a staff member of the
37 center in the course of carrying out the duties of the center or the board shall be held confidential
38 as provided in ORS 192.553 to 192.581 and 433.008.

39 (8) The functions of the board do not supersede the regulatory authority of any agency and are
40 not in lieu of the regulatory authority of any agency.

41 **SECTION 1580.** ORS 634.660 is amended to read:

42 634.660. Each of the following state agencies or public universities shall implement integrated
43 pest management practices when carrying out duties of the agency or public university related to
44 pest control:

45 (1) State Department of Agriculture.

- 1 (2) State Department of Fish and Wildlife.
- 2 (3) Department of Transportation.
- 3 (4) State Parks and Recreation Department.
- 4 (5) State Forestry Department.
- 5 (6) Department of Corrections.
- 6 (7) Oregon Department of Administrative Services.
- 7 (8) Department of State Lands.
- 8 (9) Department of Environmental Quality.
- 9 (10) Oregon [*Health Authority*] **Department of Health.**
- 10 (11) Each public university listed in ORS 352.002, for the public university's own building and
- 11 grounds maintenance.

12 **SECTION 1581.** ORS 646.639 is amended to read:

13 646.639. (1) As used in this section and ORS 646A.670:

14 (a) "Charged-off debt" means a debt that a creditor treats as a loss or expense and not as an

15 asset.

16 (b) "Consumer" means a natural person who purchases or acquires property, services or credit

17 for personal, family or household purposes.

18 (c) "Consumer transaction" means a transaction between a consumer and a person that sells,

19 leases or provides property, services or credit to consumers.

20 (d) "Credit" means a right that a creditor grants to a consumer to defer payment of a debt, to

21 incur a debt and defer payment of the debt, or to purchase or acquire property or services and defer

22 payment for the property or services.

23 (e) "Creditor" means a person that, in the ordinary course of the person's business, engages in

24 consumer transactions that result in a consumer owing a debt to the person.

25 (f) "Debt" means an obligation or alleged obligation that arises out of a consumer transaction.

26 (g)(A) "Debt buyer" means a person that regularly engages in the business of purchasing

27 charged-off debt for the purpose of collecting the charged-off debt or hiring another person to collect

28 or bring legal action to collect the charged-off debt.

29 (B) "Debt buyer" does not include a person that acquires charged-off debt as an incidental part

30 of acquiring a portfolio of debt that is predominantly not charged-off debt.

31 (h) "Debt collector" means a person that by direct or indirect action, conduct or practice col-

32 lects or attempts to collect a debt owed, or alleged to be owed, to a creditor or debt buyer.

33 (i) "Debtor" means a consumer who owes or allegedly owes a debt, including a consumer who

34 owes an amount that differs from the amount that a debt collector attempts to collect or that a debt

35 buyer purchased or attempts to collect.

36 (j) "Legal action" means a lawsuit, mediation, arbitration or any other proceeding in any court,

37 including a small claims court.

38 (k) "Original creditor" means the last entity that extended credit to a consumer to purchase

39 goods or services, to lease goods or as a loan of moneys.

40 (L) "Person" means an individual, corporation, trust, partnership, incorporated or

41 unincorporated association or any other legal entity.

42 (2) A debt collector engages in an unlawful collection practice if the debt collector, while col-

43 lecting or attempting to collect a debt, does any of the following:

44 (a) Uses or threatens to use force or violence to cause physical harm to a debtor or to the

45 debtor's family or property.

- 1 (b) Threatens arrest or criminal prosecution.
- 2 (c) Threatens to seize, attach or sell a debtor's property if doing so requires a court order and
3 the debt collector does not disclose that seizing, attaching or selling the debtor's property requires
4 prior court proceedings.
- 5 (d) Uses profane, obscene or abusive language in communicating with a debtor or the debtor's
6 family.
- 7 (e) Communicates with a debtor or any member of the debtor's family repeatedly or continuously
8 or at times known to be inconvenient to the debtor or any member of the debtor's family and with
9 intent to harass or annoy the debtor or any member of the debtor's family.
- 10 (f) Communicates or threatens to communicate with a debtor's employer concerning the nature
11 or existence of the debt.
- 12 (g) Communicates without a debtor's permission or threatens to communicate with the debtor
13 at the debtor's place of employment if the place of employment is other than the debtor's residence,
14 except that the debt collector may:
- 15 (A) Write to the debtor at the debtor's place of employment if a home address is not reasonably
16 available and if the envelope does not reveal that the communication is from a debt collector other
17 than the person that provided the goods, services or credit from which the debt arose.
- 18 (B) Telephone a debtor's place of employment without informing any other person of the nature
19 of the call or identifying the caller as a debt collector but only if the debt collector in good faith
20 has made an unsuccessful attempt to telephone the debtor at the debtor's residence during the day
21 or during the evening between the hours of 6 p.m. and 9 p.m. The debt collector may not contact
22 the debtor at the debtor's place of employment more frequently than once each business week and
23 may not telephone the debtor at the debtor's place of employment if the debtor notifies the debt
24 collector not to telephone at the debtor's place of employment or if the debt collector knows or has
25 reason to know that the debtor's employer prohibits the debtor from receiving such communication.
26 For the purposes of this subparagraph, any language in any agreement, contract or instrument that
27 creates or is evidence of the debt and that purports to authorize telephone calls at the debtor's place
28 of employment does not give permission to the debt collector to call the debtor at the debtor's place
29 of employment.
- 30 (h) Communicates with a debtor in writing without clearly identifying the name of the debt
31 collector, the name of the person, if any, for whom the debt collector is attempting to collect the
32 debt and the debt collector's business address, on all initial communications. In subsequent commu-
33 nications involving multiple accounts, the debt collector may eliminate the name of the person, if
34 any, for whom the debt collector is attempting to collect the debt and substitute the term
35 "various" in place of the person's name.
- 36 (i) Communicates with a debtor orally without disclosing to the debtor, within 30 seconds after
37 beginning the communication, the name of the individual who is initiating the communication and
38 the true purpose of the communication.
- 39 (j) Conceals the true purpose of the communication so as to cause any expense to a debtor in
40 the form of long distance telephone calls, telegram fees, additional charges for wireless communi-
41 cation or other charges the debtor might incur by using a medium of communication.
- 42 (k) Attempts or threatens to enforce a right or remedy while knowing or having reason to know
43 that the right or remedy does not exist, or threatens to take any action that the debt collector in
44 the regular course of business does not take.
- 45 (L) Uses any form of communication that simulates legal or judicial process or that appears to

1 be authorized, issued or approved by a governmental agency, governmental official or an attorney
2 at law if the corresponding governmental agency, governmental official or attorney at law has not
3 in fact authorized or approved the communication.

4 (m) Represents that an existing debt may be increased by the addition of attorney fees, investi-
5 gation fees or any other fees or charges if the fees or charges may not legally be added to the ex-
6 isting debt.

7 (n) Collects or attempts to collect interest or other charges or fees that exceed the actual debt
8 unless the agreement, contract or instrument that creates the debt expressly authorizes, or a law
9 expressly allows, the interest or other charges or fees.

10 (o) Threatens to assign or sell a debtor's account and misrepresents or implies that the debtor
11 would lose any defense to the debt or would be subjected to harsh, vindictive or abusive collection
12 tactics.

13 (p) Uses the seal or letterhead of a public official or a public agency, as those terms are defined
14 in ORS 171.725.

15 (q) Collects or attempts to collect any debt that the debt collector knows, or after exercising
16 reasonable diligence would know, arises from medical expenses that qualify for reimbursement under
17 the Oregon Health Plan or under Medicaid, except that:

18 (A) The debt collector does not engage in an unlawful collection practice if the debt collector
19 can produce an affidavit or certificate from the original creditor that shows that the original cred-
20 itor complied with Oregon [*Health Authority*] **Department of Health** rules barring payments for
21 services that Medicaid fee-for-service plans or contracted health care plans cover; and

22 (B) For purposes of this paragraph, a prepaid managed care health services organization, a co-
23 ordinated care organization or a public body, as defined in ORS 174.109, or an agent or assignee of
24 the organization or public body, is not a debt collector if the organization or public body seeks to
25 collect a debt that arises under ORS 416.540.

26 (r) Files a legal action to collect or files a legal action to attempt to collect a debt if the debt
27 collector knows, or after exercising reasonable diligence would know, that an applicable statute of
28 limitations bars the collection or the collection attempt.

29 (s) Knowingly collects any amount, including any interest fee, charge or expense incidental to
30 the principal obligation, unless the amount is expressly authorized by the agreement creating the
31 debt or permitted by law.

32 (t) Collects or attempts to collect a debt if the debt collector is a debt buyer, or is acting on a
33 debt buyer's behalf, and collects or attempts to collect purchased debt before providing to a debtor,
34 within 30 days after the date of the debtor's request, all of the documents listed in subsection (4)(b)
35 of this section.

36 (u) Collects or attempts to collect a debt without complying with the requirements of ORS
37 646A.677.

38 (3) A debt collector engages in an unlawful collection practice if the debt collector, by use of
39 any direct or indirect action, conduct or practice, enforces or attempts to enforce an obligation
40 made void and unenforceable by the provisions of ORS 759.720 (3) to (5).

41 (4) A debt buyer or debt collector acting on behalf of a debt buyer engages in an unlawful col-
42 lection practice if the debt buyer or debt collector:

43 (a) Files legal action against a debtor or files legal action to attempt to collect a debt if the debt
44 buyer or debt collector knows or after exercising reasonable diligence would know that an applica-
45 ble statute of limitations bars the legal action to collect or the legal action to attempt to collect the

- 1 debt;
- 2 (b) Brings a legal action against a debtor or otherwise brings a legal action to attempt to collect
3 a debt without possessing business records that satisfy the requirements of ORS 40.460 (6), or of ORS
4 24.115, if the record is a foreign judgment, that establish the nature and the amount of the debt and
5 that include:
- 6 (A) The original creditor's name, written as the original creditor used the name in dealings with
7 the debtor;
- 8 (B) The name and address of the debtor;
- 9 (C) The name, address and telephone number of the person that owns the debt and a statement
10 as to whether the person is a debt buyer;
- 11 (D) The last four digits of the original creditor's account number for the debt, if the original
12 creditor's account number for the debt had four or more digits;
- 13 (E) A detailed and itemized statement of:
- 14 (i) The amount the debtor last paid on the debt, if the debtor made a payment, and the date of
15 the payment;
- 16 (ii) The amount and date of the debtor's last payment on the debt before the debtor defaulted
17 or before the debt became charged-off debt;
- 18 (iii) The balance due on the debt on the date on which the debt became charged-off debt;
- 19 (iv) The amount and rate of interest, any fees and any charges that the original creditor im-
20 posed, if the debt buyer or debt collector knows the amount, rate, fee or charge;
- 21 (v) The amount and rate of interest, any fees and any charges that the debt buyer or any pre-
22 vious owner of the debt imposed, if the debt buyer or debt collector knows the amount, rate, fee or
23 charge;
- 24 (vi) The attorney fees the debt buyer or debt collector seeks, if the debt buyer or debt collector
25 expects to recover attorney fees; and
- 26 (vii) Any other fee, cost or charge the debt buyer seeks to recover;
- 27 (F) Evidence that the debt buyer and only the debt buyer owns the debt;
- 28 (G) The date on which the debt buyer purchased the debt; and
- 29 (H) A copy of the agreement between the original creditor and the debtor that is either:
- 30 (i) The contract or other writing the debtor signed that created and is evidence of the original
31 debt; or
- 32 (ii) A copy of the most recent monthly statement that shows a purchase transaction or balance
33 transfer or the debtor's last payment, if the debtor made a payment, if the debt is a credit card debt
34 or other debt for which a contract or other writing that is evidence of the debt does not exist;
- 35 (c) Fails to provide to a debtor, after the debt buyer or debt collector receives payment in cash
36 or the debtor requests the receipt, a receipt that:
- 37 (A) Shows the name of the creditor or creditors for whom the debt buyer or debt collector re-
38 ceived the payment and, if the creditor is not the original creditor, the account number that the
39 original creditor assigned; and
- 40 (B) States clearly whether the debt buyer or debt collector accepts the payment as payment in
41 full or as a full and final compromise of the debt and, if not, the balance remaining on the debt after
42 the payment;
- 43 (d) Collects or attempts to collect a debt before providing, in response to a debtor's request, the
44 documents required under paragraph (b) of this subsection. A debt buyer or a debt collector that
45 acts on the debt buyer's behalf does not engage in an unlawful collection practice under this para-

1 graph if the debt buyer or debt collector collects or attempts to collect a debt after providing the
2 required documents to the debtor; or

3 (e) Uses any direct or indirect action, conduct or practice to violate a provision of this section
4 or ORS 646A.670.

5 (5) A debt collector is not acting on a debt buyer's behalf, and is not subject to the duties to
6 which a debt buyer is subject under this section and ORS 646A.670, if the debt collector collects or
7 attempts to collect a debt on behalf of an owner that retains a direct interest in the debt or if the
8 debt is not a debt that a debt buyer purchased.

9 **SECTION 1582.** ORS 646.735 is amended to read:

10 646.735. (1) The Legislative Assembly declares that collaboration among public payers, private
11 health carriers, third party purchasers and providers to identify appropriate service delivery systems
12 and reimbursement methods to align incentives in support of integrated and coordinated health care
13 delivery is in the best interest of the public. The Legislative Assembly therefore declares its intent
14 to exempt from state antitrust laws, and to provide immunity from federal antitrust laws through the
15 state action doctrine, coordinated care organizations that might otherwise be constrained by such
16 laws.

17 (2) The Director of the Oregon [*Health Authority*] **Department of Health** or the director's
18 designee shall engage in appropriate state supervision necessary to promote state action immunity
19 under state and federal antitrust laws, and may inspect or request additional documentation to
20 verify that the Oregon Integrated and Coordinated Health Care Delivery System established under
21 ORS 414.570 is implemented in accordance with the legislative intent expressed in ORS 414.018.

22 (3) Groups that include, but are not limited to, health insurance companies, health care centers,
23 hospitals, health service organizations, employers, health care providers, health care facilities, state
24 and local governmental entities and consumers, may meet to facilitate the development, implemen-
25 tation and operation of a coordinated care organization in accordance with criteria and require-
26 ments adopted by the Oregon [*Health Authority*] **Department of Health** under ORS 414.572. Any
27 participation by such entities and individuals shall be on a voluntary basis.

28 (4) The [*authority*] **department** may conduct a survey of the entities and individuals specified
29 in subsection (3) of this section concerning payment and delivery reforms.

30 (5) A survey or meeting under subsection (3) or (4) of this section is not a violation of state
31 antitrust laws and shall be considered state action for purposes of federal antitrust laws through the
32 state action doctrine.

33 **SECTION 1583.** ORS 646A.530 is amended to read:

34 646A.530. (1) A retailer may not sell or offer for sale, lease, sublet or otherwise distribute a
35 children's product to consumers in this state if the children's product is:

36 (a) Subject to a recall notice issued by or in cooperation with the United States Consumer
37 Product Safety Commission or a successor agency;

38 (b) The subject of a warning issued by the children's product manufacturer or the Consumer
39 Product Safety Commission or a successor agency that the intended use of the children's product
40 constitutes a health or safety hazard, unless the retailer has eliminated the hazard and made the
41 children's product safe for sale, lease, subletting or distribution to consumers in strict compliance
42 with standards and instructions provided in or related to the warning; or

43 (c) Subject to a declaration by the Director of the Oregon [*Health Authority*] **Department of**
44 **Health** under ORS 453.055 or under rules adopted by the Oregon [*Health Authority*] **Department**
45 **of Health** that the children's product is a banned hazardous substance.

1 (2) A retailer shall subscribe to or arrange to receive recall notices and warnings issued by the
 2 Consumer Product Safety Commission and warnings issued by manufacturers from which the retailer
 3 receives children’s products.

4 (3) A retailer shall dispose of a children’s product identified in a recall notice or warning issued
 5 by or in cooperation with the Consumer Product Safety Commission or a successor agency in strict
 6 compliance with disposal instructions included with or related to the recall notice or warning.

7 (4) A retailer shall comply strictly with all return, repair, retrofitting, labeling or remediation
 8 instructions issued with or related to a warning issued by the Consumer Product Safety Commission
 9 or a successor agency, an agency of this state or the children’s product manufacturer.

10 **SECTION 1584.** ORS 646A.689 is amended to read:

11 646A.689. (1) As used in this section and ORS 646A.693 to 646A.695:

12 (a) “Drug” has the meaning given that term in ORS 689.005.

13 (b) “Health care facility” has the meaning given that term in ORS 442.015.

14 (c) “Health care service contractor” has the meaning given that term in ORS 750.005.

15 (d)(A) “Manufacture” means:

16 (i) The production, preparation, propagation, compounding, conversion or processing of a drug,
 17 either directly or indirectly by extraction from substances of natural origin or independently by
 18 means of chemical synthesis, or by a combination of extraction and chemical synthesis; and

19 (ii) The packaging or repackaging of a drug or labeling or relabeling of a drug container.

20 (B) “Manufacture” does not include the preparation or compounding of a drug by an individual
 21 for the individual’s own use or the preparation, compounding, packaging or labeling of a drug:

22 (i) By a health care practitioner incidental to administering or dispensing a drug in the course
 23 of professional practice;

24 (ii) By a health care practitioner or at the practitioner’s authorization and supervision for the
 25 purpose of or incidental to research, teaching or chemical analysis activities and not for sale;

26 (iii) By a health care service contractor for dispensing to a subscriber or delivery to a health
 27 care facility or outpatient clinic owned or operated by the health care service contractor or an af-
 28 filiate of the health care service contractor;

29 (iv) By a centralized repackaging operation for distribution to subscribers of health care service
 30 contractors or to pharmacies, health care facilities or outpatient clinics operated by or affiliated
 31 with a health care service contractor; or

32 (v) By a health care facility for dispensing to a patient or other person.

33 (e) “Manufacturer” means a person that manufactures a prescription drug that is sold in this
 34 state.

35 (f) “New prescription drug” has the meaning prescribed by the Department of Consumer and
 36 Business Services by rule.

37 (g) “Patient assistance program” means a program that a manufacturer offers to the general
 38 public in which a consumer may reduce the consumer’s out-of-pocket costs for prescription drugs
 39 by using coupons or discount cards, receiving copayment assistance or by other means.

40 (h) “Prescription drug” means a drug that must:

41 (A) Under federal law, be labeled “Caution: Federal law prohibits dispensing without pre-
 42 scription” prior to being dispensed or delivered; or

43 (B) Under any applicable federal or state law or regulation, be dispensed only by prescription
 44 or restricted to use only by health care practitioners.

45 (i) “Price” means the wholesale acquisition cost as defined in 42 U.S.C. 1395w-3a(c)(6)(B).

1 (2) No later than March 15 of each year, a manufacturer shall report the information described
2 in subsection (3) of this section to the department regarding each prescription drug for which:

3 (a) The price was \$100 or more for a one-month supply or for a course of treatment lasting less
4 than one month; and

5 (b) There was a net increase of 10 percent or more in the price of the prescription drug de-
6 scribed in paragraph (a) of this subsection over the course of the previous calendar year.

7 (3) For each prescription drug described in subsection (2) of this section, a manufacturer shall
8 report to the department, in the form and manner prescribed by the department:

9 (a) The name and price of the prescription drug and the net increase, expressed as a percentage,
10 in the price of the drug over the course of the previous calendar year;

11 (b) The length of time the prescription drug has been on the market;

12 (c) The factors that contributed to the price increase;

13 (d) The name of any generic version of the prescription drug available on the market;

14 (e) The research and development costs associated with the prescription drug that were paid
15 using public funds;

16 (f) The direct costs incurred by the manufacturer:

17 (A) To manufacture the prescription drug;

18 (B) To market the prescription drug;

19 (C) To distribute the prescription drug; and

20 (D) For ongoing safety and effectiveness research associated with the prescription drug;

21 (g) The total sales revenue for the prescription drug during the previous calendar year;

22 (h) The manufacturer's profit attributable to the prescription drug during the previous calendar
23 year;

24 (i) The introductory price of the prescription drug when it was approved for marketing by the
25 United States Food and Drug Administration and the net yearly increase, by calendar year, in the
26 price of the prescription drug during the previous five years;

27 (j) The 10 highest prices paid for the prescription drug during the previous calendar year in any
28 country other than the United States;

29 (k) Any other information that the manufacturer deems relevant to the price increase described
30 in subsection (2)(b) of this section; and

31 (L) The documentation necessary to support the information reported under this subsection.

32 (4) The department may use any prescription drug price information the department deems ap-
33 propriate to verify that manufacturers have properly reported price increases as required by sub-
34 sections (2) and (3) of this section.

35 (5) A manufacturer shall accompany the report provided under subsection (2) of this section with
36 the following information about each patient assistance program offered by the manufacturer to
37 consumers residing in this state for the prescription drugs described in subsection (2) of this section:

38 (a) The number of consumers who participated in the program;

39 (b) The total value of the coupons, discounts, copayment assistance or other reduction in costs
40 provided to consumers in this state who participated in the program;

41 (c) For each drug, the number of refills that qualify for the program, if applicable;

42 (d) If the program expires after a specified period of time, the period of time that the program
43 is available to each consumer; and

44 (e) The eligibility criteria for the program and how eligibility is verified for accuracy.

45 (6) No later than 30 days after a manufacturer introduces a new prescription drug for sale in

1 the United States at a price that exceeds the threshold established by the Centers for Medicare and
 2 Medicaid Services for specialty drugs in the Medicare Part D program, the manufacturer shall notify
 3 the department, in the form and manner prescribed by the department, of all the following informa-
 4 tion:

5 (a) A description of the marketing used in the introduction of the new prescription drug;

6 (b) The methodology used to establish the price of the new prescription drug;

7 (c) Whether the United States Food and Drug Administration granted the new prescription drug
 8 a breakthrough therapy designation or a priority review;

9 (d) If the new prescription drug was not developed by the manufacturer, the date of and the
 10 price paid for acquisition of the new prescription drug by the manufacturer;

11 (e) The manufacturer's estimate of the average number of patients who will be prescribed the
 12 new prescription drug each month; and

13 (f) The research and development costs associated with the new prescription drug that were paid
 14 using public funds.

15 (7)(a) After receiving the report or information described in subsections (2), (3), (5) or (6) of this
 16 section, the department may make a written request to the manufacturer for supporting documen-
 17 tation or additional information concerning the report. The department shall prescribe by rule the
 18 periods:

19 (A) Following the receipt of the report or information during which the department may request
 20 additional information; and

21 (B) Following a request by the department for additional information during which a manufac-
 22 turer may respond to the request.

23 (b) The department may extend the period prescribed under paragraph (a)(B) of this subsection,
 24 as necessary, on a case-by-case basis.

25 (8) A manufacturer may be subject to a civil penalty, as provided in ORS 646A.692, for:

26 (a) Failing to submit timely reports or notices as required by this section;

27 (b) Failing to provide information required under this section;

28 (c) Failing to respond in a timely manner to a written request by the department for additional
 29 information under subsection (7) of this section; or

30 (d) Providing inaccurate or incomplete information under this section.

31 (9) Except as provided in subsection (10) of this section, the department shall post to its website
 32 all of the following information:

33 (a) A list of the prescription drugs reported under subsection (2) of this section and the man-
 34 ufacturers of those prescription drugs;

35 (b) Information reported to the department under subsections (3) and (5) to (7) of this section;
 36 and

37 (c) Written requests by the department for additional information under subsection (7) of this
 38 section.

39 (10)(a) The department may not post to its website any information described in subsection (9)
 40 of this section if:

41 (A) The information is conditionally exempt from disclosure under ORS 192.345 as a trade secret;
 42 and

43 (B) The public interest does not require disclosure of the information.

44 (b) If the department withholds any information from public disclosure pursuant to this sub-
 45 section, the department shall post to its website a report describing the nature of the information

1 and the department's basis for withholding the information from disclosure.

2 (c) A person may petition the Attorney General, as provided in ORS 192.411, to review a deci-
3 sion by the department to withhold information pursuant to paragraph (a) of this subsection.

4 (11) In accordance with ORS 646A.694, the department shall provide to the Prescription Drug
5 Affordability Board established in ORS 646A.693:

6 (a) Each calendar quarter, a list of prescription drugs included in reports submitted under sub-
7 sections (2) and (6) of this section; and

8 (b) Access to pricing information submitted to the department under subsections (3), (6) and (7)
9 of this section.

10 (12) The department shall make available to consumers, online and by telephone, a process for
11 consumers to notify the department about an increase in the price of a prescription drug.

12 (13) The department may adopt rules as necessary for carrying out the provisions of this section,
13 including but not limited to rules establishing fees to be paid by manufacturers to be used solely to
14 pay the costs of the department in carrying out the provisions of this section.

15 (14) No later than December 15 of each year, the Department **of Consumer and Business**
16 **Services** shall compile and report the information collected by the department under this section
17 to the interim committees of the Legislative Assembly related to health. The report shall include
18 recommendations for legislative changes, if any, to contain the cost of prescription drugs and reduce
19 the impact of price increases on consumers, the Department of Corrections, the Public Employees'
20 Benefit Board, the Oregon *[Health Authority]* **Department of Health**, the Department of Human
21 Services, the Oregon Educators Benefit Board and health insurance premiums in the commercial
22 market.

23 **SECTION 1585.** ORS 646A.694 is amended to read:

24 646A.694. (1) The Department of Consumer and Business Services shall provide to the Pre-
25 scription Drug Affordability Board each calendar quarter a list of prescription drugs included in
26 reports submitted to the department under ORS 646A.689 (2) and (6), a list of drugs included in re-
27 ports submitted to the department under ORS 743.025 and a list of insulin drugs marketed in this
28 state during the previous calendar year. Each calendar year, the board shall identify nine drugs and
29 at least one insulin product from the lists provided under this subsection that the board determines
30 may create affordability challenges for health care systems or high out-of-pocket costs for patients
31 in this state based on criteria adopted by the board by rule, including but not limited to:

32 (a) Whether the prescription drug has led to health inequities in communities of color;

33 (b) The number of residents in this state prescribed the prescription drug;

34 (c) The price for the prescription drug sold in this state;

35 (d) The estimated average monetary price concession, discount or rebate the manufacturer pro-
36 vides to health insurance plans in this state or is expected to provide to health insurance plans in
37 this state, expressed as a percentage of the price for the prescription drug under review;

38 (e) The estimated total amount of the price concession, discount or rebate the manufacturer
39 provides to each pharmacy benefit manager registered in this state for the prescription drug under
40 review, expressed as a percentage of the prices;

41 (f) The estimated price for therapeutic alternatives to the drug that are sold in this state;

42 (g) The estimated average price concession, discount or rebate the manufacturer provides or is
43 expected to provide to health insurance plans and pharmacy benefit managers in this state for
44 therapeutic alternatives;

45 (h) The estimated costs to health insurance plans based on patient use of the drug consistent

1 with the labeling approved by the United States Food and Drug Administration and recognized
2 standard medical practice;

3 (i) The impact on patient access to the drug considering standard prescription drug benefit de-
4 signs in health insurance plans offered in this state;

5 (j) The relative financial impacts to health, medical or social services costs as can be quantified
6 and compared to the costs of existing therapeutic alternatives;

7 (k) The estimated average patient copayment or other cost-sharing for the prescription drug in
8 this state;

9 (L) Any information a manufacturer chooses to provide; and

10 (m) Any other factors as determined by the board in rules adopted by the board.

11 (2) A drug that is designated by the Secretary of the United States Food and Drug Adminis-
12 tration, under 21 U.S.C. 360bb, as a drug for a rare disease or condition is not subject to review
13 under subsection (1) of this section.

14 (3) The board shall accept testimony from patients and caregivers affected by a condition or
15 disease that is treated by a prescription drug under review by the board and from individuals with
16 scientific or medical training with respect to the disease or condition.

17 (4)(a) If the board considers the cost-effectiveness of a prescription drug in criteria adopted by
18 the board under subsection (1) of this section, the board may not use quality-adjusted life-years, or
19 similar formulas that take into account a patient's age or severity of illness or disability, to identify
20 subpopulations for which a prescription drug would be less cost-effective. For any prescription drug
21 that extends life, the board's analysis of cost-effectiveness must weigh the value of the quality of life
22 equally for all patients, regardless of the patients' age or severity of illness or disability.

23 (b) As used in this subsection:

24 (A) "Health utility" means a measure of the degree to which having a particular form of disease
25 or disability or having particular functional limitations negatively impacts the quality of life as
26 compared to a state of perfect health, expressed as a number between zero and one.

27 (B) "Quality-adjusted life-year" is the product of a health utility multiplied by the extra months
28 or years of life that a patient might gain as a result of a treatment.

29 (5) To the extent practicable, the board shall access pricing information for prescription drugs
30 by:

31 (a) Accessing pricing information collected by the department under ORS 646A.689 and 743.025;

32 (b) Accessing data reported to the Oregon [*Health Authority*] **Department of Health** under ORS
33 442.373;

34 (c) Entering into a memorandum of understanding with another state to which manufacturers
35 already report pricing information; and

36 (d) Accessing other publicly available pricing information.

37 (6) The information used to conduct an affordability review may include any document and re-
38 search related to the introductory price or price increase of a prescription drug, including life cycle
39 management, net average price in this state, market competition and context, projected revenue and
40 the estimated value or cost-effectiveness of the prescription drug.

41 (7) The **Department of Consumer and Business Services** and the board shall keep strictly
42 confidential any information collected, used or relied upon for the review conducted under this
43 section if the information is:

44 (a) Information submitted to the department by a manufacturer under ORS 646A.689; and

45 (b) Confidential, proprietary or a trade secret as defined in ORS 192.345.

1 **SECTION 1586.** ORS 646A.801 is amended to read:

2 646A.801. (1) As used in this section:

3 (a) “Hospice program” has the meaning given that term in ORS 443.850.

4 (b) “Personal representative” has the meaning given that term in ORS 111.005.

5 (c) “Residential cable service” means the transmission of any communication to a residential
6 customer of the service for the purpose of delivering video content to the customer.

7 (d) “Residential telecommunications service” means the transmission of any communication be-
8 tween a residential customer of the service and any other individual through the use of a commu-
9 nication system established and maintained by a radio common carrier or a telecommunications
10 utility, both as defined in ORS 759.005.

11 (2) An individual in a hospice program, or the next of kin or personal representative of an in-
12 dividual who has died, may terminate, without penalty, a residential cable service or a residential
13 telecommunications service provided pursuant to an existing contract.

14 (3) For purposes described in subsection (2) of this section, a provider of a residential cable
15 service or a residential telecommunications service may require an individual in a hospice program
16 or the next of kin or personal representative of an individual who has died to submit a document
17 establishing that the individual is in a hospice program or has died.

18 (4) A termination of service under subsection (2) of this section is effective on the date on which
19 the provider of the service first receives notice that the individual is in a hospice program or has
20 died.

21 (5) The Oregon [*Health Authority*] **Department of Health** may impose a civil penalty, not to
22 exceed \$1,000, for violation of this section. Civil penalties imposed under this section shall be im-
23 posed in the manner provided by ORS 183.745. All moneys recovered under this section shall be paid
24 into the State Treasury and credited to the General Fund.

25 (6) The [*authority*] **department** may adopt rules to carry out the provisions of this section.

26 **SECTION 1587.** ORS 656.319 is amended to read:

27 656.319. (1) With respect to objection by a claimant to denial of a claim for compensation under
28 ORS 656.262, a hearing thereon shall not be granted and the claim shall not be enforceable unless:

29 (a) A request for hearing is filed not later than the 60th day after the mailing of the denial to
30 the claimant; or

31 (b) The request is filed not later than the 180th day after mailing of the denial and the claimant
32 establishes at a hearing that there was good cause for failure to file the request by the 60th day
33 after mailing of the denial.

34 (2) Notwithstanding subsection (1) of this section, a hearing shall be granted even if a request
35 therefor is filed after the time specified in subsection (1) of this section if the claimant can show
36 lack of mental competency to file the request within that time. The period for filing under this
37 subsection shall not be extended more than five years by lack of mental competency, nor shall it
38 extend in any case longer than one year after the claimant regains mental competency.

39 (3) With respect to subsection (2) of this section, lack of mental competency shall apply only to
40 an individual suffering from such mental disorder, mental illness or nervous disorder as is required
41 for commitment or voluntary admission to a treatment facility pursuant to ORS 426.005 to 426.223
42 and 426.241 to 426.380 and the rules of the Oregon [*Health Authority*] **Department of Health**.

43 (4) With respect to objections to a reconsideration order under ORS 656.268, a hearing on such
44 objections shall not be granted unless a request for hearing is filed within 30 days after the copies
45 of the reconsideration order were mailed to the parties.

1 (5) With respect to objection by a claimant to a notice of refusal to close a claim under ORS
 2 656.268, a hearing on the objection shall not be granted unless the request for hearing is filed within
 3 60 days after copies of the notice of refusal to close were mailed to the parties.

4 (6) A hearing for failure to process or an allegation that the claim was processed incorrectly
 5 shall not be granted unless the request for hearing is filed within two years after the alleged action
 6 or inaction occurred.

7 (7) With respect to objection by a claimant to a notice of closure issued under ORS 656.206, a
 8 hearing on the objection shall not be granted unless the request for hearing is filed within 60 days
 9 after the notice of closure was mailed to the claimant.

10 **SECTION 1588.** ORS 657.665 is amended to read:

11 657.665. (1) Except as provided in subsections (2) to (5) of this section, all information in the
 12 records of the Employment Department pertaining to the administration of the unemployment in-
 13 surance, employment service and workforce and labor market information programs:

14 (a) Is confidential and for the exclusive use and information of the Director of the Employment
 15 Department in administering the unemployment insurance, employment service and workforce and
 16 labor market information programs in Oregon.

17 (b) May not be used in any court action or in any proceeding pending in the court unless the
 18 director or the state is a party to the action or proceeding or unless the proceeding concerns the
 19 establishment, enforcement or modification of a support obligation and support services are being
 20 provided by the Division of Child Support or the district attorney pursuant to ORS 25.080.

21 (c) Is exempt from disclosure under ORS 192.311 to 192.478.

22 (2) The Employment Department shall disclose information:

23 (a) To any claimant or legal representative, at a hearing before an administrative law judge, to
 24 the extent necessary for the proper presentation of an unemployment insurance claim.

25 (b) Upon request to the United States Secretary of Labor. The Employment Department shall
 26 disclose the information in a form and containing the information that the United States Secretary
 27 of Labor may require. The information disclosed is confidential and may not be used for any other
 28 purpose.

29 (c) Pursuant to section 303(a)(7) of the Social Security Act, upon request to any agency of the
 30 United States charged with the administration of public works or assistance through public em-
 31 ployment. Under this paragraph, the Employment Department shall disclose the name, address, or-
 32 dinary occupation and employment status of each recipient of unemployment insurance benefits and
 33 a statement of the recipient's right to further benefits under this chapter. The information disclosed
 34 is confidential and may not be used for any other purpose.

35 (d) Pursuant to section 303(c)(1) of the Social Security Act, to the Railroad Retirement Board.
 36 Under this paragraph, the Employment Department shall disclose unemployment insurance records.
 37 The information disclosed is confidential and may not be used for any other purpose. The costs of
 38 disclosing information under this paragraph shall be paid by the board.

39 (e) Pursuant to section 303(d) of the Social Security Act, upon request to officers and employees
 40 of the United States Department of Agriculture and to officers or employees of any state Supple-
 41 mental Nutrition Assistance Program agency for the purpose of determining an individual's eligibil-
 42 ity for or the amount of supplemental nutrition assistance. The information disclosed is confidential
 43 and may not be used for any other purpose. The costs of disclosing information under this paragraph
 44 shall be paid by the United States Department of Agriculture.

45 (f) Pursuant to section 303(e)(1) and (2)(A)(ii) of the Social Security Act, to state or local child

1 support enforcement agencies enforcing child support obligations under Title IV-D of the Social Se-
2 curity Act for the purposes of establishing child support obligations, locating individuals owing child
3 support obligations and collecting child support obligations from those individuals. The information
4 disclosed is confidential and may not be used for any other purpose. The costs of disclosing infor-
5 mation under this paragraph shall be paid by the child support enforcement agency.

6 (g) Pursuant to sections 303(f) and 1137 of the Social Security Act, to agencies participating in
7 the income and eligibility verification system for the purpose of verifying an individual's eligibility
8 for benefits, or the amount of benefits, under unemployment insurance, temporary assistance for
9 needy families, Medicaid, the Supplemental Nutrition Assistance Program, Supplemental Security
10 Income, child support enforcement or Social Security programs. The information disclosed is confi-
11 dential and may not be used for any other purpose. The costs of disclosing information under this
12 paragraph shall be paid by the requesting agency.

13 (h) Pursuant to section 303(h) of the Social Security Act and section 3304(a)(16)(B) of the Federal
14 Unemployment Tax Act, to the United States Department of Health and Human Services National
15 Directory of New Hires. The information disclosed is confidential and may not be used for any other
16 purpose. The costs of disclosing information under this paragraph shall be paid by the United States
17 Department of Health and Human Services.

18 (i) Pursuant to section 303(i) of the Social Security Act, to officers and employees of the United
19 States Department of Housing and Urban Development and to representatives of a public housing
20 agency for the purpose of determining an individual's eligibility for benefits, or the amount of ben-
21 efits, under a housing assistance program of the United States Department of Housing and Urban
22 Development. The information disclosed is confidential and may not be used for any other purpose.
23 The costs of disclosing information under this paragraph shall be paid by the United States De-
24 partment of Housing and Urban Development or the public housing agency.

25 (j) Pursuant to regulations of the United States Secretary of Health and Human Services issued
26 under section 3304(a)(16)(A) of the Federal Unemployment Tax Act, and except as required by sec-
27 tion 303 of the Social Security Act, to the state, a political subdivision or a federally recognized
28 Indian tribe that has signed an agreement with the Department of Human Services to administer
29 Part A of Title IV of the Social Security Act for the purpose of determining an individual's eligibility
30 for assistance, or the amount of assistance, under a program funded under Part A of Title IV of the
31 Social Security Act. The information disclosed is confidential and may not be used for any other
32 purpose.

33 (k) Upon request, to the United States Attorney's Office. Under this paragraph, the Employment
34 Department may disclose an individual's employment and wage information in response to a federal
35 grand jury subpoena or for the purpose of collecting civil and criminal judgments, including
36 restitution and special assessment fees. The information disclosed is confidential and may not be
37 used for any other purpose. The costs of disclosing information under this paragraph shall be paid
38 by the United States Attorney's Office.

39 (3) The Employment Department may disclose information secured from employing units:

40 (a) To state agencies, federal agencies, local government agencies, public universities listed in
41 ORS 352.002 and the Oregon Health and Science University established under ORS 353.020, to the
42 extent necessary to properly carry out governmental planning, performance measurement, program
43 analysis, socioeconomic analysis or policy analysis functions performed under applicable law. The
44 information disclosed is confidential and may not be disclosed by the agencies or universities in any
45 manner that would identify individuals, claimants, employees or employing units. If the information

1 disclosed under this paragraph is not prepared for the use of the Employment Department, the costs
2 of disclosing the information shall be paid by the agency or university requesting the information.

3 (b) As part of a geographic information system. Points on a map may be used to represent eco-
4 nomic data, including the location, employment size class and industrial classification of businesses
5 in Oregon. Information presented as part of a geographic information system may not give specific
6 details regarding a business's address, actual employment or proprietary information. If the infor-
7 mation disclosed under this paragraph is not prepared for the use of the Employment Department,
8 the costs of disclosing the information shall be paid by the party requesting the information.

9 (c) In accordance with ORS 657.673.

10 (4) The Employment Department may:

11 (a) Disclose information to public employees in the performance of their duties under state or
12 federal laws relating to the payment of unemployment insurance benefits, the provision of employ-
13 ment services and the provision of workforce and labor market information.

14 (b) At the discretion of the Director of the Employment Department and subject to an intera-
15 gency agreement, disclose information to public officials in the performance of their official duties
16 administering or enforcing laws within their authority and to the agents or contractors of public
17 officials. The public official shall agree to assume responsibility for misuse of the information by
18 the official's agent or contractor.

19 (c) Disclose information pursuant to an informed consent, received from an employer or claim-
20 ant, to disclose the information.

21 (d) Disclose information to partners under the federal Workforce Innovation and Opportunity
22 Act for the purpose of administering state workforce programs under the Act. The information dis-
23 closed is confidential and may not be used for any other purpose. The costs of disclosing information
24 under this paragraph shall be paid by the requesting partner.

25 (e) Disclose the names and addresses of employing units to the Bureau of Labor and Industries
26 for the purpose of disseminating information to employing units. The names and addresses disclosed
27 are confidential and may not be used for any other purpose. If the information disclosed under this
28 paragraph is not prepared for the use of the Employment Department, the costs of disclosing the
29 information shall be paid by the bureau.

30 (f) Disclose information to the Commissioner of the Bureau of Labor and Industries for the
31 purpose of performing duties under ORS 279C.800 to 279C.870, 658.005 to 658.245 or 658.405 to
32 658.511 or ORS chapter 652, 653 or 659A. The information disclosed may include the names and ad-
33 dresses of employers and employees and payroll data of employers and employees. The information
34 disclosed is confidential and may not be used for any other purpose. If the information disclosed
35 under this paragraph is not prepared for the use of the Employment Department, the costs of dis-
36 closing the information shall be paid by the bureau.

37 (g) Disclose information required under ORS 657.660 (3) and (4) to the Public Employees Re-
38 tirement System for the purpose of determining the eligibility of members of the retirement system
39 for disability under ORS chapters 238 and 238A. The information disclosed is confidential and may
40 not be used for any other purpose. The costs of disclosing information under this paragraph shall
41 be paid by the Public Employees Retirement System.

42 (h) Disclose to the Oregon Business Development Commission and the Oregon Business Devel-
43 opment Department information required by the commission and the department in performing their
44 duties under ORS 285A.050 and 285B.630 to verify changes in employment levels following direct
45 employer participation in department programs or indirect participation through municipalities un-

1 der ORS 285B.410 to 285B.482. The information disclosed to the commission and the department may
2 include an employer's employment level, total subject wages payroll and whole hours worked. The
3 information disclosed is confidential and may not be used for any other purpose. The commission
4 and the department may not disclose the information in any manner that would identify an employ-
5 ing unit or employee except to the extent necessary to carry out the commission's and the
6 department's duties under ORS 285A.050 and 285B.630. If the information disclosed under this para-
7 graph is not prepared for the use of the Employment Department, the costs of disclosing the infor-
8 mation shall be paid by the commission or the Oregon Business Development Department.

9 (i) Disclose information to the Department of Revenue for the purpose of performing its duties
10 under ORS 293.250 or under the revenue and tax laws of this state. The information disclosed may
11 include the names and addresses of employers and employees and payroll data of employers and
12 employees. The information disclosed is confidential and may not be disclosed by the Department
13 of Revenue in any manner that would identify an employing unit or employee except to the extent
14 necessary to carry out the department's duties under ORS 293.250 or in auditing or reviewing any
15 report or return required or permitted to be filed under the revenue and tax laws administered by
16 the department. The Department of Revenue may not disclose any information received to any pri-
17 vate collection agency or for any other purpose. If the information disclosed under this paragraph
18 is not prepared for the use of the Employment Department, the costs of disclosing the information
19 shall be paid by the Department of Revenue.

20 (j) Disclose information to the Department of Consumer and Business Services for the purpose
21 of performing its duties under ORS chapters 654 and 656. The information disclosed may include the
22 name, address, number of employees and industrial classification code of an employer and payroll
23 data of employers and employees. The information disclosed is confidential and may not be disclosed
24 by the Department of Consumer and Business Services in any manner that would identify an em-
25 ploying unit or employee except to the extent necessary to carry out the department's duties under
26 ORS chapters 654 and 656, including administrative hearings and court proceedings in which the
27 Department of Consumer and Business Services is a party. If the information disclosed under this
28 paragraph is not prepared for the use of the Employment Department, the costs of disclosing the
29 information shall be paid by the Department of Consumer and Business Services.

30 (k) Disclose information to the Construction Contractors Board for the purpose of performing
31 its duties under ORS chapter 701. The information disclosed to the board may include the names and
32 addresses of employers and status of their compliance with this chapter. If the information disclosed
33 under this paragraph is not prepared for the use of the Employment Department, the costs of dis-
34 closing the information shall be paid by the board.

35 (L) Disclose information to the State Fire Marshal to assist the State Fire Marshal in carrying
36 out duties under ORS 453.307 to 453.414. The information disclosed may include the name, address,
37 telephone number and industrial classification code of an employer. The information disclosed is
38 confidential and may not be disclosed by the State Fire Marshal in any manner that would identify
39 an employing unit except to the extent necessary to carry out duties under ORS 453.307 to 453.414.
40 If the information disclosed under this paragraph is not prepared for the use of the Employment
41 Department, the costs of disclosing the information shall be paid by the Department of the State Fire
42 Marshal.

43 (m) Disclose information to the Higher Education Coordinating Commission for the purpose of
44 performing the commission's duties under ORS chapter 348 and Title IV of the Higher Education
45 Act of 1965. The information disclosed may include the names and addresses of employers and em-

1 employees and payroll data of employers and employees. The information disclosed is confidential and
2 may not be disclosed by the commission in any manner that would identify an employing unit or
3 employee except to the extent necessary to carry out the commission's duties under ORS chapter
4 348 or Title IV of the Higher Education Act of 1965. If the information disclosed under this para-
5 graph is not prepared for the use of the Employment Department, the costs of disclosing the infor-
6 mation shall be paid by the commission.

7 (n) Disclose information to the Department of Transportation to assist the Department of
8 Transportation in carrying out the duties of the Department of Transportation relating to collection
9 of delinquent and liquidated debts, including taxes, under ORS 184.610 to 184.665, 184.670 to 184.733
10 and 805.263, ORS chapter 319 and the Oregon Vehicle Code. The information disclosed may include
11 the names and addresses of employers and employees and payroll data of employers and employees.
12 The information disclosed is confidential and may not be disclosed by the Department of Transpor-
13 tation in any manner that would identify an employing unit or employee except to the extent nec-
14 essary to carry out the Department of Transportation's duties relating to collection of delinquent
15 and liquidated debts or in auditing or reviewing any report or return required or permitted to be
16 filed under the revenue and tax laws administered by the Department of Transportation. The De-
17 partment of Transportation may not disclose any information received to any private collection
18 agency or for any other purpose. If the information disclosed under this paragraph is not prepared
19 for the use of the Employment Department, the costs of disclosing the information shall be paid by
20 the Department of Transportation.

21 (o) Disclose information to the Department of Human Services and the Oregon [*Health*
22 *Authority*] **Department of Health** to assist the Department of Human Services and the Oregon
23 [*Health Authority*] **Department of Health** in the collection of debts that the Department of Human
24 Services and the Oregon [*Health Authority*] **Department of Health** are authorized by law to collect.
25 The information disclosed may include the names, addresses and payroll data of employers and em-
26 ployees. The information disclosed is confidential and may not be disclosed by the Department of
27 Human Services or the Oregon [*Health Authority*] **Department of Health** in a manner that would
28 identify an employing unit or employee except to the extent necessary for the collection of debts
29 as described in this paragraph. The Department of Human Services and the Oregon [*Health Au-*
30 *thority*] **Department of Health** may not disclose information received under this paragraph to a
31 private collection agency or use the information for a purpose other than the collection of debts as
32 described in this paragraph. If the information disclosed under this paragraph is not prepared for
33 the use of the Employment Department, the costs of disclosing the information shall be paid by the
34 Department of Human Services or the Oregon [*Health Authority*] **Department of Health**.

35 (p) Disclose to the Alcohol and Drug Policy Commission information required by the commission
36 in evaluating and measuring the performance of alcohol and drug prevention and treatment pro-
37 grams under ORS 430.223 or the impact of the programs on employment. The information disclosed
38 to the commission may include total subject wages payroll and whole hours worked. The information
39 disclosed under this paragraph is confidential and may not be used for any other purpose. The
40 commission may not disclose the information in any manner that would identify an employing unit
41 or employee except to the extent necessary to carry out the commission's duties under ORS 430.223.
42 If the information disclosed under this paragraph is not prepared for the use of the Employment
43 Department, the costs of disclosing the information shall be paid by the commission.

44 (q) Disclose to any person establishment level information secured pursuant to this chapter from
45 federal, state and local government agencies, public universities listed in ORS 352.002 or the Oregon

1 Health and Science University established under ORS 353.020. If the information disclosed under this
 2 paragraph is not prepared for the use of the Employment Department, the costs of disclosing the
 3 information shall be paid by the person requesting the information.

4 (r) Disclose to any person the industrial classification code assigned to an employing unit. If the
 5 information disclosed under this paragraph is not prepared for the use of the Employment Depart-
 6 ment, the costs of disclosing the information shall be paid by the person requesting the information.

7 (s) Disclose information to the State Treasurer useful for the purpose of performing the State
 8 Treasurer's duties under ORS 98.302 to 98.436, 98.992 and 116.253 and the role of an estate admin-
 9 istrator under ORS 113.235. The information disclosed is confidential and may not be used by the
 10 State Treasurer for any other purpose. If the information disclosed is not prepared for the use of the
 11 Employment Department, the costs of disclosing the information shall be paid by the State Treas-
 12 urer.

13 (5) The Employment Department may make public all decisions of the Employment Appeals
 14 Board.

15 (6) Any officer appointed by or any employee of the Director of the Employment Department
 16 who discloses confidential information, except with the authority of the director, pursuant to rules
 17 or as otherwise required by law, may be disqualified from holding any appointment or employment
 18 with the Employment Department.

19 (7) Any person or any officer or employee of an entity to whom information is disclosed by the
 20 Employment Department under this section who divulges or uses the information for any purpose
 21 other than that specified in the provision of law or agreement authorizing the use or disclosure may
 22 be disqualified from performing any service under contract or disqualified from holding any ap-
 23 pointment or employment with the state agency that engaged or employed that person, officer or
 24 employee. The Employment Department may immediately cancel or modify any information sharing
 25 agreement with an entity when a person or an officer or employee of that entity discloses confi-
 26 dential information, other than as specified in law or agreement.

27 **SECTION 1589.** ORS 657.880 is amended to read:

28 657.880. In order to provide health care coverage for eligible unemployed individuals, the Em-
 29 ployment Department, upon approval and funding by the Emergency Board, is authorized:

30 (1) To deduct an amount from unemployment compensation otherwise payable to an individual
 31 and to use the amount so deducted to pay for health care coverage if the individual voluntarily
 32 elects to have such deduction made, and such deduction is made under a program which meets ap-
 33 plicable federal requirements and has been approved in accordance with the provisions of this sec-
 34 tion and ORS 657.885.

35 (2) To certify to the Oregon [*Health Authority*] **Department of Health** those unemployed indi-
 36 viduals eligible to receive health care coverage pursuant to criteria established by or pursuant to
 37 federal law in order to receive federal funds for obtaining such coverage.

38 (3) To enter into contracts with other appropriate federal or state agencies.

39 **SECTION 1590.** ORS 657.885 is amended to read:

40 657.885. For purposes of this section and ORS 657.880, the term "health care coverage" means
 41 coverage under:

42 (1) Health insurance policies issued by qualified insurers and health care service contractors;

43 (2) Contracts entered into by and between the State of Oregon and qualified insurers and health
 44 care service contractors; and

45 (3) The medical assistance program administered by the Oregon [*Health Authority*] **Department**

1 **of Health.**

2 **SECTION 1591.** ORS 659A.220 is amended to read:

3 659A.220. (1) The Bureau of Labor and Industries, in consultation and cooperation with the
4 agencies described in subsection (2) of this section, shall collect and compile information and data
5 relating to disclosures of information made under ORS 659A.200 to 659A.224. The information and
6 data shall include:

7 (a) The total number of disclosures made by an employee to a public employer pursuant to ORS
8 659A.221 of matters described in ORS 659A.203 (1)(b); and

9 (b) The total number of all reports of violations of ORS 659A.203 or 659A.218.

10 (2) Subsection (1) of this section applies to the following agencies:

11 (a) The Oregon [*Health Authority*] **Department of Health**;

12 (b) The Department of Transportation;

13 (c) The Department of Human Services; and

14 (d) The Department of Environmental Quality.

15 (3) No later than January 1 of each odd-numbered year, the bureau shall submit to the Governor,
16 and, in the manner provided in ORS 192.245, to an appropriate committee or interim committee of
17 the Legislative Assembly, a written report that includes the information and data described in sub-
18 section (1) of this section.

19 **SECTION 1592.** ORS 675.368 is amended to read:

20 675.368. ORS 675.365 to 675.410 apply to the provision of sexual abuse specific treatment to any
21 person, regardless of whether the person:

22 (1) Self-refers for sexual abuse specific treatment;

23 (2) Has been convicted or adjudicated of a sex crime, as defined in ORS 163A.005, or a sexual
24 offense, as provided in ORS 163.305 to 163.467, and mandated by a court, a releasing authority, in-
25 cluding the Oregon Youth Authority, or the Oregon [*Health Authority*] **Department of Health** to
26 successfully complete a sexual abuse specific treatment program;

27 (3) Has been referred for sexual abuse specific treatment by:

28 (a) The Department of Human Services;

29 (b) A district school board, public charter school or public or private institution of post-
30 secondary education; or

31 (c) A county program for aging persons, persons with disabilities and veterans; or

32 (4) Has been referred for sexual abuse specific treatment prior to trial on a criminal charge.

33 **SECTION 1593.** ORS 675.650 is amended to read:

34 675.650. The Oregon [*Health Authority*] **Department of Health** shall create workforce training
35 and establish endorsements or certifications for behavioral health providers of co-occurring disorder
36 treatment.

37 **SECTION 1594.** ORS 675.653 is amended to read:

38 675.653. The Behavioral Health Incentive Subaccount is created in the Health Care Provider
39 Incentive Fund established in ORS 676.450. The Behavioral Health Incentive Subaccount consists
40 of moneys appropriated to the subaccount by the Legislative Assembly and gifts, grants and do-
41 nations from public or private sources. Moneys in the subaccount are continuously appropriated to
42 the Oregon [*Health Authority*] **Department of Health** to carry out ORS 675.655.

43 **SECTION 1595.** ORS 675.655, as amended by section 1, chapter 17, Oregon Laws 2022, is
44 amended to read:

45 675.655. (1) The Oregon [*Health Authority*] **Department of Health** shall provide incentives to

1 increase the recruitment and retention of providers in the behavioral health care workforce with
 2 associate, bachelor's, master's, or doctoral degrees or other credentials that increase access to ser-
 3 vices that are peer- and community-driven and that provide culturally specific and culturally re-
 4 sponsive services for people of color, tribal communities and persons with lived behavioral health
 5 experiences.

6 (2) The [authority] **department** shall increase access to services for rural and underserved
 7 communities by:

8 (a) Expanding funding to provide incentives to culturally specific peers, traditional health
 9 workers, unlicensed, licensed or certified providers of behavioral health care and licensed
 10 prescribers.

11 (b) Developing programs and providing incentives to increase the number of individuals training
 12 for and entering the field of behavioral health and to improve the retention of behavioral health care
 13 providers in this state through:

14 (A) Scholarships for undergraduate and graduate students going into the behavioral health field;

15 (B) Loan forgiveness and repayment incentives for qualified behavioral health care providers;

16 (C) Housing assistance;

17 (D) Sign-on bonuses;

18 (E) Part-time and flex time opportunities;

19 (F) Retention bonuses;

20 (G) Professional development;

21 (H) Tax subsidies;

22 (I) Child care subsidies;

23 (J) Subsidized dual certification with a specific focus on rural and vulnerable populations and
 24 pay equity;

25 (K) Tuition assistance;

26 (L) Bonuses and stipends for supervisors of interns;

27 (M) Licensing examination preparation;

28 (N) Stipends for students enrolled in graduate behavioral health programs; or

29 (O) Other programs and incentives.

30 (3) The [authority] **department** shall develop a program to award qualified mental health care
 31 providers student loan forgiveness or student loan repayment subsidies if the qualified mental health
 32 care provider commits to two consecutive years of full-time practice in:

33 (a) A publicly funded or public mental health facility;

34 (b) A nonprofit mental health facility that contracts with a county to provide mental health
 35 services;

36 (c) A mental health professional shortage area, as defined by the [authority] **department** by rule;
 37 or

38 (d) Other programs or facilities that serve the communities described in subsection (1) of this
 39 section.

40 (4) The subsidy described in subsection (3) of this section applies to a qualified mental health
 41 care provider's student loans incurred for the educational program that led to the qualified mental
 42 health care provider's licensure or certification as:

43 (a) A licensed psychologist, as defined in ORS 675.010;

44 (b) A clinical social worker licensed under ORS 675.530;

45 (c) A master's social worker licensed under ORS 675.533;

- 1 (d) A clinical social work associate certified under ORS 675.537;
- 2 (e) A licensed marriage and family therapist, as defined in ORS 675.705;
- 3 (f) A licensed professional counselor, as defined in ORS 675.705; or
- 4 (g) Another type of behavioral health care provider as prescribed by the [authority] **department**
- 5 by rule.

6 (5) The [authority] **department** may adopt rules to carry out this section.

7 **SECTION 1596.** ORS 675.658, as amended by section 2, chapter 17, Oregon Laws 2022, is
8 amended to read:

9 675.658. (1) The Oregon [Health Authority] **Department of Health** shall establish a program to
10 provide grants to licensed psychologists, marriage and family therapists licensed under ORS 675.715,
11 professional counselors licensed under ORS 675.715, and clinical social workers licensed under ORS
12 675.530 to provide supervised clinical experience to associates or other individuals who have the
13 necessary education but need supervised clinical experience to obtain a license to practice:

- 14 (a) Psychology;
- 15 (b) Marriage and family therapy, as defined in ORS 675.705;
- 16 (c) Professional counseling, as defined in ORS 675.705;
- 17 (d) Clinical social work, as defined in ORS 675.510; or
- 18 (e) Another behavioral health care discipline as prescribed by the [authority] **department** by
- 19 rule.

20 (2) The [authority] **department** shall adopt rules to carry out the provisions of this section.

21 **SECTION 1597.** ORS 675.664 is amended to read:

22 675.664. (1) The Oregon [Health Authority] **Department of Health** shall coordinate with systems
23 of higher education and with the Higher Education Coordinating Commission in considering
24 workforce investments under ORS 675.655 and 675.658.

25 (2) The [authority] **department** shall ensure that investments made in accordance with ORS
26 675.655 and 675.658 are aligned and coordinated with other state investments that are intended to
27 improve behavioral health outcomes for residents of this state, including but not limited to invest-
28 ments made from moneys in the Drug Treatment and Recovery Services Fund established in ORS
29 430.384.

30 **SECTION 1598.** ORS 676.150 is amended to read:

31 676.150. (1) As used in this section:

- 32 (a) "Board" means the:
- 33 (A) State Board of Examiners for Speech-Language Pathology and Audiology;
- 34 (B) State Board of Chiropractic Examiners;
- 35 (C) State Board of Licensed Social Workers;
- 36 (D) Oregon Board of Licensed Professional Counselors and Therapists;
- 37 (E) Oregon Board of Dentistry;
- 38 (F) Board of Licensed Dietitians;
- 39 (G) State Board of Massage Therapists;
- 40 (H) Oregon Board of Naturopathic Medicine;
- 41 (I) Oregon State Board of Nursing;
- 42 (J) Long Term Care Administrators Board;
- 43 (K) Oregon Board of Optometry;
- 44 (L) State Board of Pharmacy;
- 45 (M) Oregon Medical Board;

- 1 (N) Occupational Therapy Licensing Board;
 2 (O) Oregon Board of Physical Therapy;
 3 (P) Oregon Board of Psychology;
 4 (Q) Board of Medical Imaging;
 5 (R) State Board of Direct Entry Midwifery;
 6 (S) State Board of Denture Technology;
 7 (T) Respiratory Therapist and Polysomnographic Technologist Licensing Board;
 8 (U) Oregon [*Health Authority*] **Department of Health**, to the extent that the [*authority*] **de-**
 9 **partment** licenses emergency medical services providers;
 10 (V) Oregon State Veterinary Medical Examining Board; or
 11 (W) State Mortuary and Cemetery Board.
- 12 (b) “Licensee” means a health professional licensed or certified by or registered with a board.
 13 (c) “Prohibited conduct” means conduct by a licensee that:
 14 (A) Constitutes a criminal act against a patient or client; or
 15 (B) Constitutes a criminal act that creates a risk of harm to a patient or client.
 16 (d) “Unprofessional conduct” means conduct unbecoming a licensee or detrimental to the best
 17 interests of the public, including conduct contrary to recognized standards of ethics of the licensee’s
 18 profession or conduct that endangers the health, safety or welfare of a patient or client.
- 19 (2) Unless state or federal laws relating to confidentiality or the protection of health information
 20 prohibit disclosure, a licensee who has reasonable cause to believe that another licensee has en-
 21 gaged in prohibited or unprofessional conduct shall report the conduct to the board responsible for
 22 the licensee who is believed to have engaged in the conduct. The reporting licensee shall report the
 23 conduct without undue delay, but in no event later than 10 working days after the reporting licensee
 24 learns of the conduct.
- 25 (3) A licensee who is convicted of a misdemeanor or felony or who is arrested for a felony crime
 26 shall report the conviction or arrest to the licensee’s board within 10 days after the conviction or
 27 arrest.
- 28 (4) The board responsible for a licensee who is reported to have engaged in prohibited or un-
 29 professional conduct shall investigate in accordance with the board’s rules. If the board has rea-
 30 sonable cause to believe that the licensee has engaged in prohibited conduct, the board shall present
 31 the facts to an appropriate law enforcement agency without undue delay, but in no event later than
 32 10 working days after the board finds reasonable cause to believe that the licensee engaged in pro-
 33 hibited conduct.
- 34 (5) A licensee who fails to report prohibited or unprofessional conduct as required by subsection
 35 (2) of this section or the licensee’s conviction or arrest as required by subsection (3) of this section
 36 is subject to discipline by the board responsible for the licensee.
- 37 (6) A licensee who fails to report prohibited conduct as required by subsection (2) of this section
 38 commits a Class A violation.
- 39 (7)(a) Notwithstanding any other provision of law, a report under subsection (2) or (3) of this
 40 section is confidential under ORS 676.175.
 41 (b) A board may disclose a report as provided in ORS 676.177.
 42 (c) If the Health Licensing Office receives a report described in this subsection, the report is
 43 confidential and the office may only disclose the report pursuant to ORS 676.595 and 676.599.
- 44 (8) Except as part of an application for a license or for renewal of a license and except as pro-
 45 vided in subsection (3) of this section, a board may not require a licensee to report the licensee’s

1 criminal conduct.

2 (9) The obligations imposed by this section are in addition to and not in lieu of other obligations
3 to report unprofessional conduct as provided by statute.

4 (10) A licensee who reports to a board in good faith as required by subsection (2) of this section
5 is immune from civil liability for making the report.

6 (11) A board and the members, employees and contractors of the board are immune from civil
7 liability for actions taken in good faith as a result of a report received under subsection (2) or (3)
8 of this section.

9 **SECTION 1599.** ORS 676.160 is amended to read:

10 676.160. As used in ORS 676.165 to 676.180, “health professional regulatory board” means the:

- 11 (1) State Board of Examiners for Speech-Language Pathology and Audiology;
- 12 (2) State Board of Chiropractic Examiners;
- 13 (3) State Board of Licensed Social Workers;
- 14 (4) Oregon Board of Licensed Professional Counselors and Therapists;
- 15 (5) Oregon Board of Dentistry;
- 16 (6) State Board of Massage Therapists;
- 17 (7) State Mortuary and Cemetery Board;
- 18 (8) Oregon Board of Naturopathic Medicine;
- 19 (9) Oregon State Board of Nursing;
- 20 (10) Oregon Board of Optometry;
- 21 (11) State Board of Pharmacy;
- 22 (12) Oregon Medical Board;
- 23 (13) Occupational Therapy Licensing Board;
- 24 (14) Oregon Board of Physical Therapy;
- 25 (15) Oregon Board of Psychology;
- 26 (16) Board of Medical Imaging;
- 27 (17) Oregon State Veterinary Medical Examining Board; and
- 28 (18) Oregon [*Health Authority*] **Department of Health**, to the extent that the [*authority*] **de-**

29 **partment** licenses emergency medical services providers.

30 **SECTION 1600.** ORS 676.306 is amended to read:

31 676.306. (1) As used in this section, “health professional regulatory board” means a health pro-
32 fessional regulatory board described in ORS 676.160 other than the Oregon [*Health Authority*] **De-**
33 **partment of Health** with regard to the licensure of emergency medical services providers.

34 (2) Subject to applicable provisions of the State Personnel Relations Law and the approval of
35 the Governor, notwithstanding ORS 182.468, each health professional regulatory board shall appoint
36 an executive director and prescribe the duties and fix the compensation of the executive director.
37 The executive director shall serve at the pleasure of the Governor under the direct supervision of
38 the appointing board. The board may request that the Governor remove the executive director.

39 (3) In addition to any other duties imposed by law or otherwise required of state agencies, the
40 executive director shall keep all records of the board and discharge all duties prescribed by the
41 board.

42 (4) The executive director shall prepare periodic reports regarding the licensing, monitoring and
43 investigative activities of the board. The executive director shall submit the reports to the board
44 and the Governor. The Oregon Department of Administrative Services, in consultation with the
45 board, shall adopt rules specifying requirements for the report content and processes for preparing

1 and submitting the reports. The rules may be consistent with performance management measures
 2 and processes initiated by the department. The rules shall require each board to undergo a peer
 3 review of board activities by a team of executive directors of other health professional regulatory
 4 boards and at least one public member. The department may assess the board for the cost of the
 5 peer review.

6 **SECTION 1601.** ORS 676.350 is amended to read:

7 676.350. (1) As used in this section:

8 (a) “Expedited partner therapy” means the practice of prescribing or dispensing antibiotic drugs
 9 for the treatment of a sexually transmitted infection to the partner of a patient without first exam-
 10 ining the partner of the patient.

11 (b) “Partner of a patient” means a person whom a patient diagnosed with a sexually transmitted
 12 infection identifies as a sexual partner of the patient.

13 (c) “Practitioner” has the meaning given that term in ORS 475.005.

14 (2) A health professional regulatory board, as defined in ORS 676.160, the Long Term Care Ad-
 15 ministrators Board, the Board of Licensed Dietitians and the Behavior Analysis Regulatory Board
 16 may adopt rules permitting practitioners to practice expedited partner therapy. If a board adopts
 17 rules permitting practitioners to practice expedited partner therapy, the board shall consult with the
 18 Oregon [*Health Authority*] **Department of Health** to determine which sexually transmitted in-
 19 fections are appropriately addressed with expedited partner therapy.

20 (3) A prescription issued in the practice of expedited partner therapy authorized by the rules
 21 of a board is valid even if the name of the patient for whom the prescription is intended is not on
 22 the prescription.

23 (4) The [*authority*] **department** shall make available informational material about expedited
 24 partner therapy that a practitioner may distribute to patients.

25 **SECTION 1602.** ORS 676.410 is amended to read:

26 676.410. (1) As used in this section, “health care workforce regulatory board” means the:

27 (a) State Board of Examiners for Speech-Language Pathology and Audiology;

28 (b) State Board of Chiropractic Examiners;

29 (c) State Board of Licensed Social Workers;

30 (d) Oregon Board of Licensed Professional Counselors and Therapists;

31 (e) Oregon Board of Dentistry;

32 (f) Board of Licensed Dietitians;

33 (g) State Board of Massage Therapists;

34 (h) Oregon Board of Naturopathic Medicine;

35 (i) Oregon State Board of Nursing;

36 (j) Respiratory Therapist and Polysomnographic Technologist Licensing Board;

37 (k) Oregon Board of Optometry;

38 (L) State Board of Pharmacy;

39 (m) Oregon Medical Board;

40 (n) Occupational Therapy Licensing Board;

41 (o) Oregon Board of Physical Therapy;

42 (p) Oregon Board of Psychology; and

43 (q) Board of Medical Imaging.

44 (2) An individual applying to renew a license with a health care workforce regulatory board
 45 must provide the information prescribed by the Oregon [*Health Authority*] **Department of Health**

1 pursuant to subsection (3) of this section to the health care workforce regulatory board. Except as
 2 provided in subsection (4) of this section, a health care workforce regulatory board may not approve
 3 an application to renew a license until the applicant provides the information.

4 (3) The [authority] **department** shall collaborate with each health care workforce regulatory
 5 board to adopt rules establishing:

6 (a) The information that must be provided to a health care workforce regulatory board under
 7 subsection (2) of this section, which may include:

8 (A) Demographics, including race and ethnicity.

9 (B) Education and training information.

10 (C) License information.

11 (D) Employment information.

12 (E) Primary and secondary practice information.

13 (F) Anticipated changes in the practice.

14 (G) Languages spoken.

15 (b) The manner and form of providing information under subsection (2) of this section.

16 (4)(a) Subject to paragraph (b) of this subsection, a health care workforce regulatory board shall
 17 report health care workforce information collected under subsection (2) of this section to the [au-
 18 thority] **department**.

19 (b) Except as provided in paragraph (c) of this subsection, personally identifiable information
 20 collected under subsection (2) of this section is confidential and a health care workforce regulatory
 21 board and the [authority] **department** may not release such information.

22 (c) A health care workforce regulatory board may release personally identifiable information
 23 collected under subsection (2) of this section to a law enforcement agency for investigative purposes
 24 or to the [authority] **department** for state health planning purposes.

25 (5) A health care workforce regulatory board may adopt rules to perform the board's duties
 26 under this section.

27 (6) In addition to renewal fees that may be imposed by a health care workforce regulatory board,
 28 the [authority] **department** shall establish fees to be paid by individuals applying to renew a license
 29 with a health care workforce regulatory board. The amount of fees established under this subsection
 30 must be reasonably calculated to reimburse the actual cost of obtaining or reporting information as
 31 required by subsection (2) of this section.

32 (7) Using information collected under subsection (2) of this section, the [authority] **department**
 33 shall create and maintain a health care workforce database. The [authority] **department** shall pro-
 34 vide data from the health care workforce database and may provide data from other relevant
 35 sources, including data related to the diversity of this state's health care workforce, upon request
 36 to state agencies and to the Legislative Assembly. The [authority] **department** may contract with
 37 a private or public entity to establish and maintain the database and to perform data analysis.

38 **SECTION 1603.** ORS 676.450 is amended to read:

39 676.450. The Health Care Provider Incentive Fund is established in the State Treasury, separate
 40 and distinct from the General Fund. Interest earned by the Health Care Provider Incentive Fund
 41 shall be credited to the fund. The fund consists of moneys appropriated to the fund by the Legisla-
 42 tive Assembly and gifts, grants or other moneys contributed to the fund by any source, whether
 43 public or private. Moneys in the fund are continuously appropriated to the Oregon [Health
 44 Authority] **Department of Health** to carry out ORS 676.454 and 676.467.

45 **SECTION 1604.** ORS 676.454 is amended to read:

1 676.454. (1) There is created in the Oregon [*Health Authority*] **Department of Health** a health
2 care provider incentive program for the purpose of assisting qualified health care providers who
3 commit to serving medical assistance and Medicare enrollees in rural or medically underserved
4 areas of this state. The [*authority*] **department** shall prescribe by rule:

5 (a) Participant eligibility criteria, including the types of qualified health care providers who may
6 participate in the program;

7 (b) The terms and conditions of participation in the program, including the duration of the term
8 of any service agreement, which must be at least 12 months;

9 (c) The types of incentives that may be provided, including but not limited to:

10 (A) Loan repayment subsidies;

11 (B) Stipends;

12 (C) Medical malpractice insurance premium subsidies;

13 (D) Scholarships for students in health professional training programs at the Oregon Health and
14 Science University;

15 (E) Scholarships for students at institutions of higher education based in this state who are en-
16 rolled in health professional training programs leading to a doctor of osteopathic medicine or doctor
17 of dentistry or a license as a nurse practitioner, physician assistant or certified registered nurse
18 anesthetist, if:

19 (i) The scholarship funds are distributed equitably among schools offering the training programs,
20 based on the percentage of Oregon students attending those schools; and

21 (ii) The maximum scholarship for each student does not exceed the highest resident tuition rate
22 at the publicly funded health professional training programs in this state; and

23 (F) Paying the moving expenses of providers not located in rural or medically underserved areas
24 who commit to relocate to such areas;

25 (d) If the funds allocated to the program from the Health Care Provider Incentive Fund estab-
26 lished under ORS 676.450 are insufficient to provide assistance to all of the applicants who are eli-
27 gible to participate in the program, the priority for the distribution of funds; and

28 (e) The financial penalties imposed on an individual who fails to comply with terms and condi-
29 tions of participation.

30 (2) Eligibility requirements adopted for the program:

31 (a) Must allow providers to qualify for multiple health care provider incentives, to the extent
32 permitted by federal law.

33 (b) Must allow providers to qualify for an incentive for multiyear periods.

34 (c) Must give preference to applicants willing to:

35 (A) Commit to extended periods of service in rural or medically underserved areas; or

36 (B) Serve patients enrolled in Medicare and the state medical assistance program in at least the
37 same proportion to the provider's total number of patients as the Medicare and medical assistance
38 patient populations represent in relation to the total number of persons determined by the Office
39 of Rural Health to be in need of health care in the area served by the practice.

40 (3) The [*authority*] **department** may use funds allocated to the program from the Health Care
41 Provider Incentive Fund to administer or provide funding to a locum tenens program for health care
42 providers practicing in rural areas of this state.

43 (4) The [*authority*] **department** may enter into contracts with one or more public or private
44 entities to administer the health care provider incentive program or parts of the program.

45 (5) The [*authority*] **department** shall decide no later than September 1 of each academic year

1 the distribution of funds for scholarships that will be provided in the next academic year.

2 (6) The [authority] **department** may receive gifts, grants or contributions from any source,
3 whether public or private, to carry out the provisions of this section. Moneys received under this
4 subsection shall be deposited in the Health Care Provider Incentive Fund established under ORS
5 676.450.

6 **SECTION 1605.** ORS 676.551 is amended to read:

7 676.551. (1) As used in this section:

8 (a) "Health care practitioner" means a person who provides medical care in an emergency set-
9 ting and who is:

10 (A) An emergency medical services provider licensed under ORS chapter 682;

11 (B) A physician licensed under ORS chapter 677; or

12 (C) A nurse licensed under ORS 678.010 to 678.410.

13 (b) "Needlestick injury" means a wound caused by a needle puncturing the skin.

14 (2) Notwithstanding ORS 431A.570, a health care practitioner who receives a needlestick injury
15 during the treatment of a patient who is unconscious or otherwise unable to consent may, in com-
16 pliance with this section, perform a blood draw on the patient for the purpose of testing the blood
17 to determine whether the health care practitioner needs to begin immediate post-exposure
18 prophylactic treatment that may include the administration of medications to the health care prac-
19 titioner.

20 (3) A blood draw described in subsection (2) of this section may be performed if:

21 (a) The patient is not expected to regain consciousness or the ability to consent in the amount
22 of time necessary for the health care practitioner to receive appropriate medical treatment;

23 (b) There is no other person immediately available who is able to consent on behalf of the pa-
24 tient; and

25 (c) The health care practitioner will benefit medically from knowing the results of a test de-
26 scribed under subsection (2) of this section.

27 (4) A test performed under this section must be anonymous.

28 (5) The patient, or patient's legal guardian, must be informed of the blood draw and the test
29 results.

30 (6) The results of a test described in subsection (2) of this section may not be:

31 (a) Made available to law enforcement agencies;

32 (b) Made available to any person other than the health care practitioner, the individual who
33 performs the test and the patient or the patient's legal guardian; or

34 (c) Included in the medical record of the health care practitioner or the patient.

35 (7) The patient, or the patient's health insurer, may not be charged for the cost of performing
36 a test under this section.

37 (8) The Oregon [Health Authority] **Department of Health** may adopt rules to carry out this
38 section.

39 **SECTION 1606.** ORS 676.560 is amended to read:

40 676.560. (1) To provide for the more effective coordination of administrative and regulatory
41 functions of certain health boards, councils and programs involved in protecting the public through
42 the licensing and regulation of health-related professions and occupations practiced in this state
43 under a uniform mission and uniform goals, the Health Licensing Office is created within the Oregon
44 [Health Authority] **Department of Health**.

45 (2) The mission of the office is to serve the public by providing a uniform structure and ac-

1 countability for the boards, councils and programs under its administration to protect the public
 2 from harm. The office's focus is to:

3 (a) Promote effective health policy that protects the public from incompetent or unauthorized
 4 individuals and allows consumers to select a provider from a range of safe options.

5 (b) Provide outreach and training to stakeholders to improve compliance with public health and
 6 safety standards, and to involve stakeholders in the regulation of the various disciplines and fields
 7 of practice.

8 (c) Form partnerships and work in collaboration with each constituency, local and state gov-
 9 ernmental agencies, educators, organizations and other affected entities to encourage diverse opin-
 10 ions and perspectives.

11 (d) Provide the boards, councils and programs with a standardized administrative forum and
 12 procedures for operation, fiscal services, licensing, enforcement and complaint resolution.

13 (e) Resolve disputes between regulatory entities regarding the scope of practice of persons with
 14 authorization by those entities in the professions and occupations overseen by those boards, councils
 15 and programs.

16 **SECTION 1607.** ORS 676.579 is amended to read:

17 676.579. (1)(a) The Health Licensing Office is under the supervision and control of a director,
 18 who is responsible for the performance of the duties, functions and powers and for the organization
 19 of the office.

20 (b) The Director of the Oregon [*Health Authority*] **Department of Health** shall establish the
 21 qualifications for and appoint the Director of the Health Licensing Office, who holds office at the
 22 pleasure of the Director of the Oregon [*Health Authority*] **Department of Health**.

23 (c) The Director of the Health Licensing Office shall receive a salary as provided by law or, if
 24 not so provided, as prescribed by the Director of the Oregon [*Health Authority*] **Department of**
 25 **Health**.

26 (d) The Director of the Health Licensing Office is in the unclassified service.

27 (2) The Director of the Health Licensing Office shall provide the boards, councils and programs
 28 administered by the office with any services and employees as the office requires to carry out the
 29 office's duties. Subject to any applicable provisions of the State Personnel Relations Law, the Di-
 30 rector of the Health Licensing Office shall appoint all subordinate officers and employees of the of-
 31 fice, prescribe their duties and fix their compensation.

32 (3) The Director of the Health Licensing Office is responsible for carrying out the duties, func-
 33 tions and powers under ORS 675.365 to 675.410, 676.560 to 676.625, 676.630 to 676.660, 676.665 to
 34 676.689, 676.730 to 676.748, 676.810, 676.815, 676.825, 676.992, 678.710 to 678.820, 680.500 to 680.565,
 35 681.700 to 681.730, 681.740 to 681.758, 687.405 to 687.495, 687.895, 688.701 to 688.734, 688.800 to
 36 688.840, 690.005 to 690.225, 690.350 to 690.410, 691.405 to 691.485 and 694.015 to 694.170 and ORS
 37 chapter 700.

38 (4) The enumeration of duties, functions and powers in subsection (3) of this section is not in-
 39 tended to be exclusive or to limit the duties, functions and powers imposed on or vested in the office
 40 by other statutes.

41 **SECTION 1608.** ORS 676.579, as amended by section 10, chapter 92, Oregon Laws 2022, is
 42 amended to read:

43 676.579. (1)(a) The Health Licensing Office is under the supervision and control of a director,
 44 who is responsible for the performance of the duties, functions and powers and for the organization
 45 of the office.

1 (b) The Director of the Oregon [*Health Authority*] **Department of Health** shall establish the
 2 qualifications for and appoint the Director of the Health Licensing Office, who holds office at the
 3 pleasure of the Director of the Oregon [*Health Authority*] **Department of Health**.

4 (c) The Director of the Health Licensing Office shall receive a salary as provided by law or, if
 5 not so provided, as prescribed by the Director of the Oregon [*Health Authority*] **Department of**
 6 **Health**.

7 (d) The Director of the Health Licensing Office is in the unclassified service.

8 (2) The Director of the Health Licensing Office shall provide the boards, councils and programs
 9 administered by the office with any services and employees as the office requires to carry out the
 10 office's duties. Subject to any applicable provisions of the State Personnel Relations Law, the Di-
 11 rector of the Health Licensing Office shall appoint all subordinate officers and employees of the of-
 12 fice, prescribe their duties and fix their compensation.

13 (3) The Director of the Health Licensing Office is responsible for carrying out the duties, func-
 14 tions and powers under ORS 675.365 to 675.410, 676.560 to 676.625, 676.630 to 676.660, 676.665 to
 15 676.689, 676.730 to 676.748, 676.810, 676.815, 676.825, 676.992, 678.710 to 678.820, 680.500 to 680.565,
 16 681.700 to 681.730, 681.740 to 681.758, 687.405 to 687.495, 687.895, 688.701 to 688.734, 688.800 to
 17 688.840, 690.005 to 690.225, 690.350 to 690.410, 691.405 to 691.485 and 694.015 to 694.170 and ORS
 18 chapter 700 and sections 1 to 7, chapter 92, Oregon Laws 2022.

19 (4) The enumeration of duties, functions and powers in subsection (3) of this section is not in-
 20 tended to be exclusive or to limit the duties, functions and powers imposed on or vested in the office
 21 by other statutes.

22 **SECTION 1609.** ORS 676.585 is amended to read:

23 676.585. (1) In addition to any other duties imposed by law or otherwise required of state agen-
 24 cies, the Director of the Health Licensing Office shall keep all records of the Health Licensing Of-
 25 fice and discharge all duties prescribed by the office.

26 (2) The director shall prepare periodic reports regarding the licensing, monitoring and investi-
 27 gative activities of the office. The director shall submit the reports to the Governor. The Oregon
 28 [*Health Authority*] **Department of Health**, in consultation with the office, shall adopt rules speci-
 29 fying requirements for the report content and processes for preparing and submitting the reports.
 30 The rules may be consistent with performance management measures and processes initiated by the
 31 [*authority*] **department**. The rules shall require the office to undergo a peer review of office activ-
 32 ities by a team of executive directors of health professional regulatory boards, as defined in ORS
 33 676.160, and at least one public member of a health professional regulatory board. The [*authority*]
 34 **department** may assess the office for the cost of the peer review.

35 **SECTION 1610.** ORS 676.650 is amended to read:

36 676.650. (1) There is established the Board of Certified Advanced Estheticians within the Health
 37 Licensing Office, consisting of:

38 (a) Nine members appointed by the Governor; and

39 (b) The section manager of the Radiation Protection Services Section of the Oregon [*Health*
 40 *Authority*] **Department of Health**, or the section manager's designee.

41 (2) Of the nine members appointed by the Governor:

42 (a) Five must be certified advanced estheticians;

43 (b) Two must be physicians or physician assistants licensed under ORS chapter 677 or nurse
 44 practitioners licensed under ORS 678.375 to 678.390; and

45 (c) Two must be public members who are residents of this state.

1 (3) The board member described in subsection (1)(b) of this section is a nonvoting ex officio
2 member of the board.

3 (4) The term of office of each appointed member is four years, but a member serves at the
4 pleasure of the Governor. Before the expiration of the term of a member, the Governor shall appoint
5 a successor whose term begins on January 1 next following. A member is eligible for reappointment.
6 If there is a vacancy for any cause, the Governor shall make an appointment to become immediately
7 effective for the unexpired term.

8 (5) The voting members of the board shall select one of the voting members as chairperson and
9 another voting member as vice chairperson. The board shall establish the terms of service for the
10 chairperson and the vice chairperson and the duties and powers of the chairperson and the vice
11 chairperson.

12 (6) A majority of the voting members of the board constitutes a quorum for the transaction of
13 business.

14 (7) Official action by the board requires the approval of a majority of the voting members of the
15 board.

16 (8) The board shall meet at a place, day and hour determined by the board. The board also may
17 meet at other times and places specified by the call of the chairperson or of a majority of the voting
18 members of the board.

19 **SECTION 1611.** ORS 676.673 is amended to read:

20 676.673. (1) A lactation consultant shall complete continuing education courses related to:

21 (a) Cultural competency, approved by the Oregon [*Health Authority*] **Department of Health**
22 under ORS 413.450; and

23 (b) Trauma-informed care, through programs approved by the Health Licensing Office by rule.

24 (2) The office shall adopt rules related to the continuing education described in subsection (1)
25 of this section. The rules must include:

26 (a) Approval of continuing education programs related to trauma-informed care; and

27 (b) Requirements that lactation consultants:

28 (A) Complete initial cultural competency and trauma-informed care continuing education courses
29 within one year of the date of initial licensure; and

30 (B) Complete additional cultural competency and trauma-informed care continuing education
31 courses once every five years thereafter.

32 **SECTION 1612.** ORS 676.681 is amended to read:

33 676.681. (1) A person may not practice lactation consultation or assume or use any title, words
34 or abbreviations, including but not limited to the title or designation "lactation consultant," that
35 indicate that the person is authorized to practice lactation consultation unless the person is licensed
36 under ORS 676.669.

37 (2) Subsection (1) of this section does not prohibit:

38 (a) A person licensed under the laws of this state in a profession or occupation other than
39 lactation consultation from practicing lactation consultation as a part of the person's practice;

40 (b) The use of lactation consultation as an integral part of an education program; or

41 (c) A person whose training and national certification attest to the person's preparation and
42 ability to practice their profession or occupation from practicing the profession or occupation in
43 which the person is certified, if the person does not represent that the person is a lactation con-
44 sultant.

45 (3) ORS 676.665 to 676.689 do not apply to a person who is:

1 (a) Employed by or who contracts with the Oregon [*Health Authority*] **Department of Health**
 2 or an entity that contracts with the [*authority*] **department**, to promote or support breastfeeding
 3 through the Women, Infants and Children Program under ORS 413.500; or

4 (b) A licensed health care practitioner in this state and who provides services similar to
 5 lactation consultation.

6 (4) ORS 676.665 to 676.689 do not require a person who is a certified lactation counselor to ob-
 7 tain a license issued under ORS 676.669 in order to perform any of the services described in ORS
 8 676.665 (2).

9 **SECTION 1613.** ORS 676.850 is amended to read:

10 676.850. (1) As used in this section, "board" means the:

11 (a) State Board of Examiners for Speech-Language Pathology and Audiology;

12 (b) State Board of Chiropractic Examiners;

13 (c) State Board of Licensed Social Workers;

14 (d) Oregon Board of Licensed Professional Counselors and Therapists;

15 (e) Oregon Board of Dentistry;

16 (f) Board of Licensed Dietitians;

17 (g) State Board of Massage Therapists;

18 (h) Oregon Board of Naturopathic Medicine;

19 (i) Oregon State Board of Nursing;

20 (j) Long Term Care Administrators Board;

21 (k) Oregon Board of Optometry;

22 (L) State Board of Pharmacy;

23 (m) Oregon Medical Board;

24 (n) Occupational Therapy Licensing Board;

25 (o) Oregon Board of Physical Therapy;

26 (p) Oregon Board of Psychology;

27 (q) Board of Medical Imaging;

28 (r) State Board of Direct Entry Midwifery;

29 (s) State Board of Denture Technology;

30 (t) Respiratory Therapist and Polysomnographic Technologist Licensing Board;

31 (u) Home Care Commission;

32 (v) Oregon [*Health Authority*] **Department of Health**, to the extent that the [*authority*] **de-**
 33 **partment** licenses emergency medical service providers; and

34 (w) Health Licensing Office, to the extent that the office licenses lactation consultants.

35 (2)(a) A board shall adopt rules to require a person authorized to practice the profession regu-
 36 lated by the board to complete cultural competency continuing education. Completion of the con-
 37 tinuing education described in this subsection shall be a condition of renewal of an authorization
 38 to practice the profession regulated by the board every other time that the person's authorization
 39 is subject to renewal.

40 (b) Cultural competency continuing education courses may be taken in addition to or, if a board
 41 determines that the cultural competency continuing education fulfills existing continuing education
 42 requirements, instead of any other continuing education requirement imposed by the board.

43 (c) A board shall consider the availability of the continuing education described in this sub-
 44 section when adopting rules regarding the required number of credits of continuing education.

45 (d) A board shall encourage, but may not require, the completion of continuing education ap-

1 proved by the Oregon [*Health Authority*] **Department of Health** under ORS 413.450. A board shall
2 accept as meeting the requirements of this subsection continuing education that meets the skills
3 requirements established by the [*authority*] **department** by rule.

4 (3) The requirements of subsection (2) of this section do not apply to a person authorized to
5 practice a profession regulated by a board if the person is:

- 6 (a) Retired and not practicing the profession in any state;
- 7 (b) Not practicing the profession in this state; or
- 8 (c) Residing in this state but not practicing the profession in any state.

9 **SECTION 1614.** ORS 676.855 is amended to read:

10 676.855. Each public university listed in ORS 352.002 and each community college, as defined in
11 ORS 341.005, may require persons authorized to practice a profession regulated by a board, as de-
12 fined in ORS 676.850, who provide services to students at health care facilities located on a campus
13 of the public university or community college to provide proof of completing cultural competency
14 continuing education approved by the Oregon [*Health Authority*] **Department of Health** under ORS
15 413.450.

16 **SECTION 1615.** ORS 676.860 is amended to read:

17 676.860. (1) As used in this section:

18 (a) "Board" means:

- 19 (A) Occupational Therapy Licensing Board;
- 20 (B) Oregon Board of Naturopathic Medicine;
- 21 (C) Oregon Medical Board;
- 22 (D) Oregon State Board of Nursing;
- 23 (E) Oregon Board of Physical Therapy; and
- 24 (F) State Board of Chiropractic Examiners.

25 (b) "Licensee" means a person authorized to practice one of the following professions:

- 26 (A) Occupational therapist, as defined in ORS 675.210;
- 27 (B) Certified registered nurse anesthetist, as defined in ORS 678.245;
- 28 (C) Chiropractic physician, as defined in ORS 684.010;
- 29 (D) Clinical nurse specialist, as defined in ORS 678.010;
- 30 (E) Naturopathic physician, as defined in ORS 685.010;
- 31 (F) Nurse practitioner, as defined in ORS 678.010;
- 32 (G) Physician, as defined in ORS 677.010;
- 33 (H) Physician assistant, as defined in ORS 677.495;
- 34 (I) Physical therapist, as defined in ORS 688.010; and
- 35 (J) Physical therapist assistant, as defined in ORS 688.010.

36 (2) In collaboration with the Oregon [*Health Authority*] **Department of Health**, a board shall
37 adopt rules to require a licensee regulated by the board to report to the board, upon reauthorization
38 to practice, the licensee's completion of any continuing education regarding suicide risk assessment,
39 treatment and management.

40 (3) A licensee shall report the completion of any continuing education described in subsection
41 (2) of this section to the board that regulates the licensee.

42 (4)(a) A board shall document completion of any continuing education described in subsection
43 (2) of this section by a licensee regulated by the board. The board shall document the following data:

44 (A) The number of licensees who complete continuing education described in subsection (2) of
45 this section;

1 (B) The percentage of the total of all licensees who complete the continuing education;

2 (C) The counties in which licensees who complete the continuing education practice; and

3 (D) The contact information for licensees willing to share information about suicide risk as-
4 sessment, treatment and management with the [authority] **department**.

5 (b) The board shall remove any personally identifiable information from the data submitted to
6 the board under this subsection, except for the personally identifiable information of licensees will-
7 ing to share such information with the [authority] **department**.

8 (c) For purposes of documenting completion of continuing education under this subsection, a
9 board may adopt rules requiring licensees to submit documentation of completion to the board.

10 (5) A board, on or before March 1 of each even-numbered year, shall report to the [authority]
11 **department** on the data documented under subsection (4) of this section, as well as information
12 about any initiatives by the board to promote suicide risk assessment, treatment and management
13 among its licensees.

14 (6) The [authority] **department**, on or before August 1 of each even-numbered year, shall report
15 to the interim committees of the Legislative Assembly related to health care on the information
16 submitted to the [authority] **department** under subsection (5) of this section. The [authority] **de-**
17 **partment** shall include in the report information about initiatives by boards to promote awareness
18 about suicide risk assessment, treatment and management and information on how boards are pro-
19 moting continuing education described in subsection (2) of this section to licensees.

20 (7) The [authority] **department** may use the information submitted to the [authority] **depart-**
21 **ment** under subsection (5) of this section to develop continuing education opportunities related to
22 suicide risk assessment, treatment and management for licensees and to facilitate improvements in
23 suicide risk assessment, treatment and management efforts in this state.

24 **SECTION 1616.** ORS 676.863 is amended to read:

25 676.863. (1) The Oregon [Health Authority] **Department of Health** shall develop a list of con-
26 tinuing education opportunities related to suicide risk assessment, treatment and management and
27 make the list available to each board, as defined in ORS 676.860 and 676.866.

28 (2) In developing the list, the [authority] **department** shall:

29 (a) Consider suicide risk assessment, treatment and management training programs recom-
30 mended by organizations that provide suicide awareness advocacy and education; and

31 (b) Consult with institutions of higher education and experts in suicide risk assessment, treat-
32 ment and management.

33 **SECTION 1617.** ORS 676.866 is amended to read:

34 676.866. (1) As used in this section:

35 (a) "Board" means:

36 (A) The Oregon Board of Psychology;

37 (B) The Oregon Board of Licensed Professional Counselors and Therapists;

38 (C) The State Board of Licensed Social Workers;

39 (D) The Teacher Standards and Practices Commission; and

40 (E) The Traditional Health Workers Commission.

41 (b) "Licensee" means:

42 (A) A clinical social worker, as defined in ORS 675.510;

43 (B) A regulated social worker, as defined in ORS 675.510;

44 (C) A licensed marriage and family therapist, as defined in ORS 675.705;

45 (D) A licensed psychologist, as defined in ORS 675.010;

1 (E) A licensed professional counselor, as defined in ORS 675.705;

2 (F) A school counselor, as defined by rule by the Teacher Standards and Practices Commission;

3 and

4 (G) The following professionals regulated by the Oregon *[Health Authority]* **Department of**
 5 **Health** by rules adopted pursuant to subsection (9) of this section or employed in a program oper-
 6 ated or overseen by the *[authority]* **department**:

7 (i) A qualified mental health associate;

8 (ii) A qualified mental health professional;

9 (iii) A certified alcohol and drug counselor;

10 (iv) A prevention specialist;

11 (v) A problem gambling treatment provider;

12 (vi) A recovery mentor;

13 (vii) A community health worker;

14 (viii) A personal health navigator;

15 (ix) A personal support specialist;

16 (x) A peer wellness specialist;

17 (xi) A doula;

18 (xii) A family support specialist;

19 (xiii) A youth support specialist; and

20 (xiv) A peer support specialist.

21 (2)(a) The *[authority]* **department** and a board shall require a licensee regulated by the *[au-*
 22 *thority]* **department** or the board to complete two hours every two years or three hours every three
 23 years of continuing education related to suicide risk assessment, treatment and management and
 24 report to the *[authority]* **department** or the board the licensee's completion of the continuing edu-
 25 cation described in this subsection. The *[authority]* **department** and the board shall ensure that the
 26 timelines for completion of the continuing education align with the licensee's professional authori-
 27 zation issuance and renewal timelines.

28 (b) The *[authority]* **department** and a board shall approve continuing education opportunities
 29 that are applicable and relevant to the licensees regulated by the *[authority]* **department** or the
 30 board. A board may encourage a licensee regulated by the board to complete continuing education
 31 opportunities recommended by the *[authority]* **department**.

32 (3) A licensee shall report the completion of the continuing education described in subsection
 33 (2) of this section to the board that regulates the licensee or to the *[authority]* **department** if the
 34 licensee is a professional listed in subsection (1)(b)(G) of this section.

35 (4)(a) The *[authority]* **department** and a board shall document completion of the continuing ed-
 36 ucation described in subsection (2) of this section by a licensee regulated by the *[authority]* **de-**
 37 **partment** or a board.

38 (b) In consultation with the *[authority]* **department**, a board shall adopt rules requiring
 39 licensees to submit documentation of completion to the board.

40 (c) The *[authority]* **department** shall adopt rules requiring licensees regulated by the
 41 *[authority]* **department** to submit documentation of completion to the *[authority]* **department**.

42 (5) The *[authority]* **department** and a board may adopt rules to:

43 (a) Identify the experience and training that a licensee regulated by the *[authority]* **department**
 44 or the board must have in order to be exempt from the requirements of subsection (2) of this section.

45 (b) Allow the concurrent completion of continuing education described in subsection (2) of this

1 section with continuing education opportunities related to professional ethics or cultural compe-
 2 tency if the opportunities also provide the continuing education described in subsection (2) of this
 3 section.

4 (6) A board, on or before March 1 of each odd-numbered year, shall report to the [authority]
 5 **department** on the information described in subsection (4) of this section, as well as information
 6 about the implementation of the continuing education described in subsection (2) of this section.

7 (7) The [authority] **department**, on or before August 1 of each odd-numbered year, shall report
 8 to the interim committees of the Legislative Assembly related to health care on the information
 9 submitted to the [authority] **department** under subsection (6) of this section and information col-
 10 lected by the [authority] **department** under subsection (4) of this section. The [authority] **depart-**
 11 **ment** shall remove any personally identifiable information collected by or submitted to the
 12 [authority] **department** under subsection (4) or (6) of this section.

13 (8) The [authority] **department** may use the information collected by the [authority] **department**
 14 under subsection (4) of this section in conjunction with the information described in ORS 676.860 to
 15 facilitate improvements in suicide risk assessment, treatment and management efforts in this state.

16 (9)(a) The [authority] **department** and a board may adopt rules to carry out this section.

17 (b) The [authority] **department** may adopt rules to define and regulate the professions listed in
 18 subsection (1)(b)(G) of this section.

19 **SECTION 1618.** ORS 676.875, as amended by section 1, chapter 65, Oregon Laws 2022, is
 20 amended to read:

21 676.875. (1) A health care facility may not allow a person to practice surgical technology at the
 22 health care facility unless the person:

23 (a)(A) Provides the health care facility with documentation showing that the person has com-
 24 pleted an educational program for surgical technologists accredited by a national accreditation or-
 25 ganization approved by the Oregon [Health Authority] **Department of Health** by rule; and

26 (B)(i) Holds and maintains a:

27 (I) Surgical technologist certification issued by a nationally accredited certifying organization
 28 for surgical technologists approved by the [authority] **department** by rule; or

29 (II) Subspecialty surgical assistant or surgical technologist certification, including but not lim-
 30 ited to a certified ophthalmic surgical assisting credential issued by the International Joint Com-
 31 mission on Allied Health Personnel in Ophthalmology or its successor organization, that is
 32 accredited by the National Commission for Certifying Agencies or its successor organization and
 33 approved by the [authority] **department** by rule; or

34 (ii) Has completed and is certified by a registered apprenticeship program in surgical technology
 35 that:

36 (I) Is approved under ORS 660.002 to 660.210;

37 (II) Meets the requirements for, and requires participants to receive, certification by the Na-
 38 tional Center for Competency Testing or its successor organization;

39 (III) Upon completion awards certification accredited by the National Commission for Certifying
 40 Agencies or its successor organization; and

41 (IV) Is approved by the [authority] **department** by rule;

42 (b)(A) Provides the health care facility with documentation showing that the person has com-
 43 pleted a training program for surgical technologists in the Army, Navy, Air Force, Marine Corps
 44 or Coast Guard of the United States or in the United States Public Health Service Commissioned
 45 Corps; and

1 (B) Every two years completes 16 hours of continuing education approved by the [authority]
2 **department**; or

3 (c)(A) Provides the health care facility with documentation showing that the person practiced
4 surgical technology during at least two of the three years immediately preceding January 1, 2017:

5 (i) In a health care facility in Oregon or in another state; or

6 (ii) As an employee of an agency or institution of the federal government; and

7 (B) Every two years completes 16 hours of continuing education approved by the [authority]
8 **department**.

9 (2) Notwithstanding subsection (1)(a)(B)(i) of this section, a health care facility may allow a
10 person who does not hold a certification described in subsection (1)(a)(B)(i) of this section to perform
11 surgical technology at the health care facility for 12 months after the person completes an educa-
12 tional program for surgical technologists accredited by a national accreditation organization ap-
13 proved by the [authority] **department** by rule.

14 (3) Notwithstanding subsection (1)(a)(B) of this section, a health care facility may allow a person
15 who does not hold a certification described in subsection (1)(a)(B) of this section to perform surgical
16 technology at the health care facility if the person:

17 (a) Is an apprentice, as defined in ORS 660.010, actively enrolled in a registered apprenticeship
18 program in surgical technology described in subsection (1)(a)(B)(ii) of this section that requires the
19 person to obtain on-the-job supervised training; and

20 (b) Is at all times while performing surgical technology provided adequate direct supervision as
21 required by the standards for the registered apprenticeship program in which the person is enrolled.

22 **SECTION 1619.** ORS 676.885 is amended to read:

23 676.885. (1) A health care facility in a rural or medically underserved community may allow a
24 person to practice as a surgical technologist at the health care facility who does not meet the re-
25 quirements of ORS 676.875 while the person is attending an educational program for surgical
26 technologists accredited by a national accreditation organization approved by the Oregon [Health
27 Authority] **Department of Health** by rule.

28 (2) A person described in subsection (1) of this section is exempt from the requirements of ORS
29 676.875 for three years from the date on which the person began practicing as a surgical
30 technologist at the health care facility.

31 **SECTION 1620.** ORS 676.890 is amended to read:

32 676.890. The Oregon [Health Authority] **Department of Health** shall adopt rules necessary to
33 carry out ORS 676.870 to 676.890, including but not limited to penalties for violation of ORS 676.870
34 to 676.890 or rules adopted under ORS 676.870 to 676.890.

35 **SECTION 1621.** ORS 677.010 is amended to read:

36 677.010. As used in this chapter, subject to the exemptions in ORS 677.060 and unless the con-
37 text requires otherwise:

38 (1) "Approved internship" means the first year of post-graduate training served in a hospital that
39 is approved by the board or by the Accreditation Council of Graduate Medical Education, the
40 American Osteopathic Association or the Royal College of Physicians and Surgeons of Canada.

41 (2) "Approved school of medicine" means a school offering a full-time resident program of study
42 in medicine or osteopathic medicine leading to a degree of Doctor of Medicine or Doctor of
43 Osteopathic Medicine, such program having been fully accredited or conditionally approved by the
44 Liaison Committee on Medical Education, or its successor agency, or the American Osteopathic
45 Association, or its successor agency, or having been otherwise determined by the board to meet the

1 association standards as specifically incorporated into board rules.

2 (3) "Board" means the Oregon Medical Board.

3 (4) "Diagnose" means to examine another person in any manner to determine the source or na-
4 ture of a disease or other physical or mental condition, or to hold oneself out or represent that a
5 person is so examining another person. It is not necessary that the examination be made in the
6 presence of such other person; it may be made on information supplied either directly or indirectly
7 by such other person.

8 (5) "Dispense" means the preparation and delivery of a prescription drug, pursuant to a lawful
9 order of a practitioner, in a suitable container appropriately labeled for subsequent administration
10 to or use by a patient or other individual entitled to receive the prescription drug.

11 (6) "Dispensing physician" means a physician or podiatric physician and surgeon who purchases
12 prescription drugs for the purpose of dispensing them to patients or other individuals entitled to
13 receive the prescription drug and who dispenses them accordingly.

14 (7) "Drug" means all medicines and preparations for internal or external use of humans, in-
15 tended to be used for the cure, mitigation or prevention of diseases or abnormalities of humans,
16 which are recognized in any published United States Pharmacopoeia or National Formulary, or
17 otherwise established as a drug.

18 (8) "Fellow" means an individual who has not qualified under ORS 677.100 (1) and (2) and who
19 is pursuing some special line of study as part of a supervised program of a school of medicine, a
20 hospital approved for internship or residency training, or an institution for medical research or ed-
21 ucation that provides for a period of study under the supervision of a responsible member of that
22 hospital or institution, such school, hospital or institution having been approved by the board.

23 (9) "Intern" means an individual who has entered into a hospital or hospitals for the first year
24 of post-graduate training.

25 (10) "License" means permission to practice, whether by license, registration or certification.

26 (11) "Licensee" means an individual holding a valid license issued by the board.

27 (12) "Physical incapacity" means a condition that renders an individual licensed under this
28 chapter unable to practice under that license with professional skill and safety by reason of physical
29 illness or physical deterioration that adversely affects cognition, motor or perceptive skill.

30 (13) "Physician" means a person who holds a degree of Doctor of Medicine or Doctor of
31 Osteopathic Medicine, or a person who holds a degree of Doctor of Podiatric Medicine if the context
32 in which the term "physician" is used does not authorize or require the person to practice outside
33 the scope of a license issued under ORS 677.805 to 677.840.

34 (14) "Podiatric physician and surgeon" means a physician licensed under ORS 677.805 to 677.840
35 to treat ailments of the human foot, ankle and tendons directly attached to and governing the
36 function of the foot and ankle.

37 (15)(a) "Podiatry" means:

38 (A) The diagnosis or the medical, physical or surgical treatment of ailments of the human foot,
39 ankle and tendons directly attached to and governing the function of the foot and ankle, except
40 treatment involving the use of a general or spinal anesthetic unless the treatment is performed in
41 a hospital licensed under ORS 441.025 or in an ambulatory surgical center licensed by the Oregon
42 [Health Authority] **Department of Health** and is under the supervision of or in collaboration with
43 a podiatric physician and surgeon; and

44 (B) Assisting in the performance of surgery, as provided in ORS 677.814.

45 (b) "Podiatry" does not include administering general or spinal anesthetics or the amputation

1 of the entire foot.

2 (16) "Prescribe" means to direct, order or designate the use of or manner of using by spoken
3 or written words or other means.

4 (17) "Resident" means an individual who, after the first year of post-graduate training, in order
5 to qualify for some particular specialty in the field of medicine, pursues a special line of study as
6 part of a supervised program of a hospital approved by the board.

7 **SECTION 1622.** ORS 677.491 is amended to read:

8 677.491. (1) Whenever any physician determines or reasonably suspects the injury or death of a
9 person to be toy-related, the physician shall, in accordance with rules adopted under subsection (5)
10 of this section, report the physician's findings to the Director of the Oregon [*Health Authority*] **De-**
11 **partment of Health.**

12 (2) The director of any hospital, health care facility, health maintenance organization, public
13 health center, medical center or emergency medical treatment facility where any physician has made
14 a determination or has a reasonable suspicion under subsection (1) of this section as to whether an
15 injury or death is toy-related, shall, in accordance with the rules adopted under subsection (5) of this
16 section, report that physician's findings to the Director of the Oregon [*Health Authority*] **Depart-**
17 **ment of Health.**

18 (3) The Director of the Oregon [*Health Authority*] **Department of Health** shall review, organize
19 and keep a record of the information set forth in the reports of toy-related injuries and deaths sub-
20 mitted by physicians under this section. The director, on a regular basis, shall make the information
21 recorded under this section available to the United States Consumer Product Safety Commission for
22 inclusion in its Injury or Potential Injury Incident Data Base. The information so recorded shall also
23 be made available to the public for a fee determined by the director.

24 (4) If the director determines that a specific toy or item poses an immediate danger or potential
25 threat to the safety of the citizens of this state, the director shall immediately issue a public notice
26 warning the public, retail sellers and distributors of the director's findings and recommendations
27 concerning that toy or item.

28 (5) The director shall adopt rules to implement this section.

29 **SECTION 1623.** ORS 677.515, as amended by section 12, chapter 349, Oregon Laws 2021, is
30 amended to read:

31 677.515. (1) A physician assistant may provide any medical service, including prescribing and
32 administering controlled substances in Schedules II through V under the federal Controlled Sub-
33 stances Act:

34 (a) That is within the scope of practice of the physician assistant; and

35 (b) For which the physician assistant has obtained informed consent as provided in ORS 677.097,
36 if informed consent is required.

37 (2) This chapter does not prohibit a student enrolled in a program for educating physician as-
38 sistants approved by the Oregon Medical Board from rendering medical services if the services are
39 rendered in the course of the program.

40 (3) The degree of autonomous judgment that a physician assistant may exercise shall be deter-
41 mined at the physician assistant's primary location of practice by the community standards of care
42 and the physician assistant's education, training and experience.

43 (4) The board may not limit the privilege of administering, dispensing and prescribing pre-
44 scription drugs to population groups federally designated as underserved, or to geographic areas of
45 the state that are federally designated health professional shortage areas, federally designated

1 medically underserved areas or areas designated as medically disadvantaged and in need of primary
2 health care providers by the Director of the Oregon [*Health Authority*] **Department of Health** or
3 the Office of Rural Health. All prescriptions written pursuant to this subsection must bear the name,
4 office address and telephone number of the physician assistant who writes the prescription.

5 (5) This chapter does not require or prohibit a physician assistant from practicing in a hospital
6 licensed pursuant to ORS 441.015 to 441.087.

7 (6) Prescriptions for medications prescribed by a physician assistant in accordance with this
8 section and ORS 475.005, 677.010, 677.500, 677.511 and 677.535 and dispensed by a licensed
9 pharmacist may be filled by the pharmacist according to the terms of the prescription, and the filling
10 of such a prescription does not constitute evidence of negligence on the part of the pharmacist if
11 the prescription was dispensed within the reasonable and prudent practice of pharmacy.

12 **SECTION 1624.** ORS 677.812 is amended to read:

13 677.812. Surgery of the ankle as defined in ORS 677.805 must be conducted:

14 (1) In a hospital or in an ambulatory surgical center licensed by the Oregon [*Health Authority*]
15 **Department of Health** under ORS 441.025; and

16 (2) By a podiatric physician and surgeon who meets the qualifications for ankle surgery estab-
17 lished by rule of the Oregon Medical Board.

18 **SECTION 1625.** ORS 678.153 is amended to read:

19 678.153. The Department of Human Services, the Oregon [*Health Authority*] **Department of**
20 **Health** and the Oregon State Board of Nursing shall enter into an interagency agreement to share
21 the results of nationwide criminal records checks conducted under ORS 181A.195 on subject indi-
22 viduals who are subject to criminal records checks by the [*department, the authority*] **departments**
23 and the board.

24 **SECTION 1626.** ORS 678.362 is amended to read:

25 678.362. (1) As used in this section:

26 (a) "Circulating nurse" means a registered nurse who is responsible for coordinating the nursing
27 care and safety needs of the patient in the operating room and who also meets the needs of oper-
28 ating room team members during surgery.

29 (b) "Ambulatory surgical center" has the meaning given that term in ORS 442.015.

30 (2)(a) The duties of a circulating nurse performed in an operating room of an ambulatory surgi-
31 cal center or a hospital shall be performed by a registered nurse licensed under ORS 678.010 to
32 678.410.

33 (b) In any case requiring general anesthesia, a circulating nurse shall be assigned to, and pres-
34 ent in, an operating room for the duration of the surgical procedure unless it becomes necessary for
35 the circulating nurse to leave the operating room as part of the surgical procedure. While assigned
36 to a surgical procedure, a circulating nurse may not be assigned to any other patient or procedure.

37 (c) Nothing in this section precludes a circulating nurse from being relieved during a surgical
38 procedure by another circulating nurse assigned to continue the surgical procedure.

39 (3) At the request of an ambulatory surgical center or a hospital, the Oregon [*Health*
40 *Authority*] **Department of Health** may grant a variance from the requirements of this section based
41 on patient care needs or the nursing practices of the surgical center or hospital.

42 **SECTION 1627.** ORS 678.440 is amended to read:

43 678.440. (1) As used in this section and ORS 678.442, 678.444, 678.445, 678.447 and 678.448,
44 "nursing assistant" means an individual who assists licensed nursing personnel in the provision of
45 nursing care.

1 (2) It is the intent of the Legislative Assembly to require that nursing assistants be adequately
2 trained.

3 (3) The Oregon State Board of Nursing shall prepare curricula and standards for training pro-
4 grams for nursing assistants. The curricula and standards must provide for additional training for
5 nursing assistants to have the authority to administer noninjectable medications.

6 (4) The Department of Human Services may impose civil penalties or revoke the license of any
7 long term care facility that employs an untrained nursing assistant for a period of more than eight
8 weeks without providing for the training prescribed by the board. Any license that is revoked shall
9 be revoked as provided in ORS 441.030.

10 (5) The Oregon [*Health Authority*] **Department of Health** may impose civil penalties or revoke
11 the license of a health care facility that employs any untrained nursing assistant for a period of
12 more than eight weeks without providing for the training prescribed by the board. Any license that
13 is revoked shall be revoked as provided in ORS 441.030.

14 **SECTION 1628.** ORS 679.540 is amended to read:

15 679.540. (1) As used in this section:

16 (a) "Dental provider" means a licensed dentist, dental hygienist or other dental practitioner or
17 a dental care team or clinic that provides the following core services:

18 (A) Comprehensive dental care;

19 (B) Basic preventive dental services;

20 (C) Referral to dental specialists; and

21 (D) Family centered dental care.

22 (b) "Health worker" means "traditional health worker" as defined by the Oregon [*Health Au-*
23 *thority*] **Department of Health** by rule.

24 (2) The Oregon [*Health Authority*] **Department of Health**, in consultation with coordinated care
25 organizations and dental care organizations in this state, shall adopt rules and procedures for the
26 training and certification of health workers to provide oral disease prevention services and for the
27 reimbursement of oral disease prevention services provided by certified health workers.

28 (3) The rules adopted under subsection (2) of this section must prescribe the training required
29 for certification, including instruction on:

30 (a) The performance of dental risk assessments; and

31 (b) The provision of oral disease prevention services.

32 (4) The [*authority*] **department** shall adopt rules requiring that a certified health worker:

33 (a) Refer patients to dental providers; and

34 (b) Recommend to patients, or to the parent or legal guardian of a patient, that the patient visit
35 a dental provider at least once annually.

36 **SECTION 1629.** ORS 679.552 is amended to read:

37 679.552. (1)(a) In accordance with rules adopted by the Oregon Board of Dentistry, a dentist may
38 prescribe and administer vaccines to a person with whom the dentist has established a patient re-
39 lationship.

40 (b) The board shall approve a training course on the prescription and administration of vaccines.
41 The board may approve a training course offered by the Centers for Disease Control and Prevention,
42 the American Dental Association or its successor organization or other similar federal agency or
43 professional organization.

44 (c) The board may adopt other rules as necessary to carry out this section.

45 (2) The board shall adopt rules relating to the prescription and administration of vaccines by

1 dentists, including rules requiring dentists to:

2 (a) Report the prescription and administration of vaccines to the immunization registry created
3 by the Oregon [*Health Authority*] **Department of Health** pursuant to ORS 433.094;

4 (b) Prior to administering a vaccine, review the patient's vaccination history in the immuniza-
5 tion registry described in this subsection;

6 (c) Comply with protocols established by the [*authority*] **department** for the prescription and
7 administration of vaccines under subsection (1) of this section; and

8 (d) Comply with any applicable rules adopted by the [*authority*] **department** related to vaccines.

9 (3) In consultation with the board, the [*authority*] **department** may adopt rules related to vac-
10 cines prescribed and administered by dentists.

11 **SECTION 1630.** ORS 679.600 is amended to read:

12 679.600. As used in ORS 679.600 to 679.630:

13 (1) "Collaborative agreement" means a written and signed agreement entered into between a
14 dentist and a dental therapist under ORS 679.618.

15 (2) "Dental pilot project" means an Oregon [*Health Authority*] **Department of Health** dental
16 pilot project developed and operated by the [*authority*] **department**.

17 (3) "Dentist" means a person licensed to practice dentistry under this chapter.

18 **SECTION 1631.** ORS 679.624 is amended to read:

19 679.624. (1) A dental therapist may perform the procedures listed in ORS 679.621 so long as the
20 procedures are included in an education program described in ORS 679.603 (1) or the dental thera-
21 pist has received additional training in the procedure approved by the Oregon Board of Dentistry.

22 (2) A dental therapist shall purchase and maintain liability insurance as determined sufficient
23 by the board.

24 (3) A dental therapist shall dedicate at least 51 percent of the dental therapist's practice to
25 patients who represent underserved populations, as defined by the Oregon [*Health Authority*] **De-**
26 **partment of Health** by rule, or patients located in dental care health professional shortage areas,
27 as determined by the [*authority*] **department**.

28 **SECTION 1632.** ORS 680.205 is amended to read:

29 680.205. (1) An expanded practice dental hygienist may render all services within the scope of
30 practice of dental hygiene, as defined in ORS 679.010, without the supervision of a dentist and as
31 authorized by the expanded practice dental hygienist permit to:

32 (a) Patients or residents of the following facilities or programs who, due to age, infirmity or
33 disability, are unable to receive regular dental hygiene treatment:

34 (A) Nursing homes as defined in ORS 678.710;

35 (B) Adult foster homes as defined in ORS 443.705;

36 (C) Residential care facilities as defined in ORS 443.400;

37 (D) Adult congregate living facilities as defined in ORS 441.525;

38 (E) Mental health residential programs administered by the Oregon [*Health Authority*] **Depart-**
39 **ment of Health;**

40 (F) Facilities for persons with mental illness, as those terms are defined in ORS 426.005;

41 (G) Facilities for persons with developmental disabilities, as those terms are defined in ORS
42 427.005;

43 (H) Local correctional facilities and juvenile detention facilities as those terms are defined in
44 ORS 169.005, regional correctional facilities as defined in ORS 169.620, youth correction facilities
45 as defined in ORS 420.005, youth care centers as defined in ORS 420.855, and Department of Cor-

1 rections institutions as defined in ORS 421.005; or

2 (I) Public and nonprofit community health clinics.

3 (b) Adults who are homebound.

4 (c) Students or enrollees of nursery schools and day care programs and their siblings under 18
5 years of age, Job Corps and similar employment training facilities, primary and secondary schools,
6 including private schools and public charter schools, and persons entitled to benefits under the
7 Women, Infants and Children Program.

8 (d) Patients in hospitals, medical clinics, medical offices or offices operated or staffed by
9 naturopathic physicians, nurse practitioners, physician assistants or midwives.

10 (e) Patients whose income is less than the federal poverty level.

11 (f) Other populations that the Oregon Board of Dentistry determines are underserved or lack
12 access to dental hygiene services.

13 (2) Unless different criteria for referral of a patient or resident to a dentist are included in an
14 agreement described in subsection (3) of this section, at least once each calendar year, an expanded
15 practice dental hygienist shall refer each patient or resident to a dentist who is available to treat
16 the patient or resident.

17 (3) An expanded practice dental hygienist may render the services described in paragraphs (a)
18 to (e) of this subsection to the patients described in subsection (1) of this section if the expanded
19 practice dental hygienist has entered into an agreement in a format approved by the board with a
20 dentist licensed under ORS chapter 679. The agreement must set forth the agreed-upon scope of the
21 dental hygienist's practice with regard to:

22 (a) Administering local anesthesia;

23 (b) Administering temporary restorations with or without excavation;

24 (c) Prescribing prophylactic antibiotics and nonsteroidal anti-inflammatory drugs specified in the
25 agreement;

26 (d) Performing interim therapeutic restoration after diagnosis by a dentist; and

27 (e) Referral parameters.

28 (4) This section does not authorize an expanded practice dental hygienist to administer nitrous
29 oxide except under the indirect supervision of a dentist licensed under ORS chapter 679.

30 (5) An expanded practice dental hygienist may assess the need for and appropriateness of
31 sealants, apply sealants and write prescriptions for all applications of fluoride in which fluoride is
32 applied or supplied to patients.

33 (6) An expanded practice dental hygienist must also procure all other permits or certificates
34 required by the board under ORS 679.250.

35 (7) As used in this section and ORS 680.213, "interim therapeutic restoration" means a direct
36 provisional restoration placed to temporarily stabilize a tooth until a dentist subsequently diagnoses
37 the need for further definitive treatment, and that:

38 (a) Consists of the removal of soft material from the tooth using only hand instrumentation and
39 subsequent placement of an adhesive restorative material; and

40 (b) Does not require the administration of local anesthesia.

41 **SECTION 1633.** ORS 680.213 is amended to read:

42 680.213. (1) The Oregon Board of Dentistry shall approve applications from oral health care ed-
43 ucation providers for training courses that meet the requirements established in rules adopted by
44 the board establishing educational and instructional requirements for interim therapeutic restoration
45 to be performed by an expanded practice dental hygienist.

1 (2) An expanded practice dental hygienist must successfully complete a training course approved
2 by the board under this section before performing interim therapeutic restorations under ORS
3 680.205 (3)(d).

4 (3) Notwithstanding subsection (2) of this section, an expanded practice dental hygienist who is
5 operating within the Dental Health Workforce Pilot Project No. 200 through the dental pilot project
6 program of the Oregon [Health Authority] **Department of Health** as of September 25, 2021, and who
7 has completed training to perform interim therapeutic restorations, is exempt from completing
8 training under subsection (2) of this section.

9 **SECTION 1634.** ORS 682.017 is amended to read:

10 682.017. The Oregon [Health Authority] **Department of Health** shall adopt rules in accordance
11 with ORS chapter 183 that include, but are not limited to:

12 (1) Requirements relating to the types and numbers of emergency vehicles, including supplies
13 and equipment carried.

14 (2) Requirements for the operation and coordination of ambulances and other emergency care
15 systems.

16 (3) Criteria for the use of two-way communications.

17 (4) Procedures for summoning and dispatching aid.

18 (5) Requirements that ambulance services report patient encounter data to an electronic emer-
19 gency medical services data system managed by the [authority] **department**. The requirements must
20 specify the data that an ambulance service must report, the form and frequency of the reporting and
21 the procedures and standards for the administration of the data system.

22 (6) Levels of licensure for emergency medical services providers. The lowest level of emergency
23 medical services provider licensure must be an emergency medical responder license.

24 (7) Other rules as necessary to carry out the provisions of this chapter.

25 **SECTION 1635.** ORS 682.019 is amended to read:

26 682.019. The Oregon [Health Authority] **Department of Health** may receive and disburse such
27 federal funds as may be available for carrying out any of the provisions of ORS 820.330 to 820.380
28 or this chapter.

29 **SECTION 1636.** ORS 682.028 is amended to read:

30 682.028. (1) A person or governmental unit may not:

31 (a) Intentionally make any false statement on an application for an ambulance service license,
32 ambulance vehicle license or for licensure as an emergency medical services provider or on any
33 other documents required by the Oregon [Health Authority] **Department of Health**; or

34 (b) Make any misrepresentation in seeking to obtain or retain a license.

35 (2) A violation described in subsection (1) of this section is also grounds for denial, suspension
36 or revocation of a license under ORS 682.220.

37 **SECTION 1637.** ORS 682.031 is amended to read:

38 682.031. (1) As used in this section, "political subdivision" includes counties, cities, districts,
39 authorities and other public corporations and entities organized and existing under statute or
40 charter.

41 (2) An ordinance of any political subdivision regulating ambulance services or emergency med-
42 ical services providers may not require less than is required under ORS 820.300 to 820.380, or this
43 chapter or the rules adopted by the Oregon [Health Authority] **Department of Health** under this
44 chapter.

45 (3) When a political subdivision enacts an ordinance regulating ambulance services or emer-

1 agency medical services providers, the ordinance must comply with the county plan for ambulance
 2 services and ambulance service areas adopted under ORS 682.062 by the county in which the poli-
 3 tical subdivision is situated and with the rules of the Oregon *[Health Authority]* **Department of**
 4 **Health** relating to such services and service areas. The county governing body shall make the de-
 5 termination of whether the ordinance is in compliance with the county plan.

6 **SECTION 1638.** ORS 682.039 is amended to read:

7 682.039. (1) The State Emergency Medical Service Committee is established within the Oregon
 8 *[Health Authority]* **Department of Health**. The committee must have at least 18 members. The
 9 Oregon *[Health Authority]* **Department of Health** shall appoint at least 17 voting members as de-
 10 scribed in subsection (2) of this section. The chairperson of the State Trauma Advisory Board es-
 11 tablished under ORS 431A.055, or the chairperson's designee, shall be a nonvoting member.

12 (2) The *[authority]* **department** shall appoint members to serve on the State Emergency Medical
 13 Service Committee, including:

14 (a) Six physicians licensed under ORS chapter 677 whose practice consists of routinely treating
 15 emergencies, such as cardiovascular illness, trauma or pediatric emergencies, appointed from a list
 16 submitted by the Oregon Medical Board. At least two members appointed under this paragraph must
 17 be emergency medical services medical directors, and at least one member appointed under this
 18 paragraph must specialize in pediatric emergency care.

19 (b) Four emergency medical services providers whose practices consist of routinely treating
 20 emergencies, such as cardiovascular illness or trauma. At least one of the providers must be at the
 21 lowest level of licensure for emergency medical services providers established by the *[authority]*
 22 **department** at the time of appointment. Emergency medical services providers appointed pursuant
 23 to this paragraph must be selected from lists submitted by each area trauma advisory board. The
 24 lists must include nominations from organizations that represent emergency care providers in this
 25 state.

26 (c) One volunteer ambulance operator.

27 (d) One person representing governmental agencies that provide ambulance services.

28 (e) One person representing a private ambulance company.

29 (f) One hospital administrator.

30 (g) One nurse who has served at least two years in the capacity of an emergency department
 31 nurse.

32 (h) One representative of an emergency dispatch center.

33 (i) One community college or licensed career school representative.

34 (3) The committee must include at least one resident, but no more than three residents, from
 35 each region served by one area trauma advisory board at the time of appointment.

36 (4) Appointments are for a term of four years and must be made in a manner that preserves as
 37 much as possible the representation of the organization described in subsection (2) of this section.
 38 A vacancy must be filled for an unexpired term as soon as the *[authority]* **department** can make the
 39 appointment. The committee shall choose a chairperson and shall meet at the call of the chairperson
 40 or the Director of the Oregon *[Health Authority]* **Department of Health**.

41 (5) The State Emergency Medical Service Committee shall:

42 (a) Advise the *[authority]* **department** concerning the adoption, amendment and repeal of rules
 43 authorized by this chapter;

44 (b) Assist the Emergency Medical Services and Trauma Systems Program in providing state and
 45 regional emergency medical services coordination and planning;

1 (c) Assist communities in identifying emergency medical service system needs and quality im-
2 provement initiatives;

3 (d) Assist the Emergency Medical Services and Trauma Systems Program in prioritizing, imple-
4 menting and evaluating emergency medical service system quality improvement initiatives identified
5 by communities;

6 (e) Review and prioritize rural community emergency medical service funding requests and pro-
7 vide input to the Rural Health Coordinating Council; and

8 (f) Review and prioritize funding requests for rural community emergency medical service
9 training and provide input to the Area Health Education Center program.

10 (6) The chairperson of the committee shall appoint a subcommittee on the licensure and disci-
11 pline of emergency medical services providers, consisting of five physicians and four emergency
12 medical services providers. The subcommittee shall advise the [authority] **department** and the
13 Oregon Medical Board on the adoption, amendment, repeal and application of rules implementing
14 ORS 682.204 to 682.220 and 682.245. The decisions of the subcommittee are not subject to the review
15 of the committee.

16 (7) Members of the committee are entitled to compensation as provided in ORS 292.495.

17 **SECTION 1639.** ORS 682.045 is amended to read:

18 682.045. (1) A license for an ambulance service or the operation of ambulance vehicles shall be
19 obtained from the Oregon [Health Authority] **Department of Health**.

20 (2) Applications for licenses shall be upon forms prescribed by the [authority] **department** and
21 shall contain:

22 (a) The name and address of the person or governmental unit owning the ambulance service or
23 vehicle.

24 (b) If other than the applicant's true name, the name under which the applicant is doing busi-
25 ness.

26 (c) In the case of an ambulance vehicle, a description of the ambulance, including the make,
27 model, year of manufacture, registration number and the insignia name, monogram or other distin-
28 guishing characteristics to be used to designate the applicant's ambulance vehicles.

29 (d) The location and description of the principal place of business of the ambulance service, and
30 the locations and descriptions of the place or places from which its ambulance is intended to oper-
31 ate.

32 (e) Such other information as the [authority] **department** may reasonably require to determine
33 compliance with ORS 820.350 to 820.380 and this chapter and the rules adopted thereunder.

34 (3) Except in the case of governmental units, the application shall be accompanied by future
35 responsibility filing of the type described under ORS 806.270.

36 **SECTION 1640.** ORS 682.047 is amended to read:

37 682.047. (1) The Oregon [Health Authority] **Department of Health** shall issue a license to the
38 owner of an ambulance service, or the owner of an ambulance, that applies for a license under ORS
39 682.045 if the [authority] **department** finds that the ambulance service or ambulance complies with
40 the requirements of ORS 820.350 to 820.380 and this chapter and the rules adopted under ORS
41 820.350 to 820.380 and this chapter.

42 (2) An ambulance service license or ambulance license expires on the next June 30 after the li-
43 cense is issued or on another date specified by the [authority] **department** by rule.

44 (3) The [authority] **department** may initially issue a license for less than a 12-month period or
45 for more than a 12-month period not to exceed 15 months.

1 (4) A license issued under this section is not transferable to any other person, governmental
2 unit, ambulance service or ambulance.

3 (5) Licenses must be displayed as prescribed by the rules of the [authority] **department**.

4 (6) The [authority] **department** shall provide for the replacement of any current license that
5 becomes lost, damaged or destroyed.

6 (7) Nonrefundable fees in the following amounts must accompany each initial and each subse-
7 quent annual application to obtain a license to operate an ambulance service and ambulance:

8 (a) \$190 for an ambulance service having a maximum of four full-time paid positions;

9 (b) \$625 for an ambulance service having five or more full-time paid positions;

10 (c) \$115 for each ambulance license if the ambulance is owned and operated by an ambulance
11 service that has a maximum of four full-time paid positions; and

12 (d) \$200 for each ambulance license if the ambulance is owned and operated by an ambulance
13 service having five or more full-time paid positions.

14 (8) The fees established under subsection (7) of this section do not apply to an ambulance or
15 vehicle described under ORS 682.035.

16 **SECTION 1641.** ORS 682.051 is amended to read:

17 682.051. (1) A person or governmental unit commits the offense of unlawful operation of an un-
18 licensed ambulance or the offense of unlawful operation of an unlicensed ambulance service if the
19 person or governmental unit advertises or operates in this state a motor vehicle, aircraft or
20 watercraft ambulance that:

21 (a) Is not operated by an ambulance service licensed under this chapter;

22 (b) Is not licensed under this chapter; and

23 (c) Does not meet the minimum requirements established under this chapter by the Oregon
24 [Health Authority] **Department of Health** in consultation with the State Emergency Medical Ser-
25 vice Committee for that type of ambulance.

26 (2) This section does not apply to any ambulance or any person if the ambulance or person is
27 exempted by ORS 682.035 or 682.079 from regulation by the [authority] **department**.

28 (3) Authority of political subdivisions to regulate ambulance services or to regulate or allow the
29 use of ambulances is limited under ORS 682.031.

30 (4) The offense described in this section, unlawful operation of an unlicensed ambulance or am-
31 bulance service, is a Class A misdemeanor. Each day of continuing violation shall be considered a
32 separate offense.

33 (5) In addition to the penalties prescribed by subsection (4) of this section, the [authority] **de-**
34 **partment** may impose upon a licensed ambulance service a civil penalty not to exceed \$5,000 for
35 each violation of this chapter and the rules adopted thereunder. Each day of continuing violation
36 shall be considered a separate violation for purposes of this subsection.

37 **SECTION 1642.** ORS 682.056 is amended to read:

38 682.056. (1)(a) Ambulance services shall report patient encounter data to the electronic emer-
39 gency medical services data system managed by the Oregon [Health Authority] **Department of**
40 **Health** for each patient care event in accordance with rules adopted by the [authority] **department**
41 under ORS 682.017.

42 (b) The [authority] **department** by rule shall specify the patient encounter data elements to be
43 transferred from the electronic emergency medical services data system to the Oregon Trauma
44 Registry and shall establish the procedures for the electronic transfer of the patient encounter data.

45 (2)(a) The patient outcome data described in subsection (3) of this section about a patient who

1 an ambulance service transported to a hospital, and that the hospital entered into the Oregon
2 Trauma Registry, must be available to the designated official of the ambulance service that trans-
3 ported the patient.

4 (b) The [authority] **department** by rule shall specify the method by which the patient outcome
5 data will be made available to the designated official of an ambulance service.

6 (3) Patient outcome data includes:

7 (a) The health outcomes of the patient who was the subject of the prehospital care event from
8 the emergency department or other intake facility of the hospital, including but not limited to:

9 (A) Whether the patient was admitted to the hospital; and

10 (B) If the patient was admitted, to what unit the patient was assigned;

11 (b) The patient's chief complaint, the diagnosis the patient received in the emergency depart-
12 ment or other intake facility and any procedures performed on the patient;

13 (c) The emergency department or hospital discharge disposition of the patient; and

14 (d) Demographic or standard health care information as required by the [authority] **Oregon**
15 **Department of Health** by rule.

16 (4) Data provided pursuant to this section shall be:

17 (a) Treated as a confidential medical record and not disclosed; and

18 (b) Considered privileged data under ORS 41.675 and 41.685.

19 (5) Data provided pursuant to this section may be used for quality assurance, quality improve-
20 ment, epidemiological assessment and investigation, public health critical response planning, pre-
21 ventation activities and other purposes that the [authority] **department** determines necessary.

22 (6)(a) A nontransporting prehospital care provider may report patient encounter data to the
23 electronic emergency medical services data system.

24 (b) A nontransporting prehospital care provider that reports patient encounter data shall comply
25 with the reporting requirements that apply to ambulance services.

26 (c) The patient outcome data described in subsection (3) of this section must be available to the
27 designated official of the nontransporting prehospital care provider that provided care and reported
28 patient encounter data about the patient.

29 (7) The [authority] **department** may adopt rules to carry out this section, including rules to:

30 (a) Establish software interoperability standards and guidance to assist in reporting the patient
31 encounter data required by this section;

32 (b) Specify the method by which the patient outcome data will be made available to
33 nontransporting prehospital care providers; and

34 (c) Define "nontransporting prehospital care provider."

35 **SECTION 1643.** ORS 682.059 is amended to read:

36 682.059. (1) The Oregon [Health Authority] **Department of Health** shall make publicly available
37 on a website operated by or on behalf of the [authority] **department** an annual report of the data
38 collected by the [authority] **department** under ORS 682.056.

39 (2) The [authority] **department** shall consult with the State Emergency Medical Service Com-
40 mittee to determine the data to include in the report required under this section.

41 (3) The report required under this section may not contain individually identifiable health in-
42 formation, as defined in ORS 192.556, or other information protected from public disclosure by state
43 or federal law.

44 **SECTION 1644.** ORS 682.062 is amended to read:

45 682.062. (1) Each county shall develop a plan for the county or two or more contiguous counties

1 may develop a plan relating to the need for and coordination of ambulance services and establish
2 one or more ambulance service areas consistent with the plan for the efficient and effective pro-
3 vision of ambulance services.

4 (2) Each person, city or rural fire protection district within the county that provides or desires
5 to provide ambulance services shall notify the county in writing if the person, city or district wants
6 to be consulted prior to the adoption or amendment of a county plan for ambulance services.

7 (3) Prior to adopting or amending a plan under subsection (1) of this section, a county shall
8 notify each person, city or district that notified the county under subsection (2) of this section of its
9 desire to be consulted. The county governing body shall consult with and seek advice from such
10 persons, cities and districts with regard to the plan and to the boundaries of any ambulance service
11 areas established under the plan. After such consultation, the county shall adopt or amend a plan
12 in the same manner as the county enacts nonemergency ordinances.

13 (4) Any plan developed and any service area established pursuant to subsection (1) of this sec-
14 tion shall be submitted to the Oregon [*Health Authority*] **Department of Health**.

15 (5) The [*authority*] **department**, in consultation with the appropriate bodies specified in sub-
16 section (1) of this section, shall adopt rules pursuant to ORS chapter 183 that specify those subjects
17 to be addressed and considered in any plan for ambulance services and areas under subsection (1)
18 of this section and those subjects to be addressed and considered in the adoption of any such plan.
19 The rules shall be uniform, as far as practicable, but take into consideration unique circumstances
20 of local districts.

21 (6) The [*authority*] **department** shall review a plan submitted under subsection (4) of this section
22 for compliance with the rules of the [*authority*] **department** adopted under subsection (5) of this
23 section. Not later than 60 days after receiving the plan, the [*authority*] **department** shall approve
24 the plan if it complies with the rules or disapprove the plan. The [*authority*] **department** shall give
25 written notice of such action to the county and, when a plan is not approved, the notice shall indi-
26 cate specifically how the plan does not comply with the rules of the [*authority*] **department**. The
27 county shall modify the plan to comply with the rules and shall submit the modified plan to the
28 [*authority*] **department** for review under this subsection.

29 (7) The rules adopted under subsection (5) of this section shall be enforceable by the
30 [*authority*] **department** in a proceeding in circuit court for equitable relief.

31 (8) This section does not require a county to establish more than one ambulance service area
32 within the county.

33 **SECTION 1645.** ORS 682.068 is amended to read:

34 682.068. (1) The Oregon [*Health Authority*] **Department of Health**, in consultation with the
35 State Emergency Medical Service Committee, shall adopt rules specifying minimum requirements for
36 ambulance services, and for staffing and medical and communications equipment requirements for
37 all types of ambulances. The rules must define the requirements for advanced life support and basic
38 life support units of emergency vehicles, including equipment and emergency medical services pro-
39 vider staffing of the passenger compartment when a patient is being transported in emergency cir-
40 cumstances.

41 (2) The [*authority*] **department** may waive any of the requirements imposed by this chapter in
42 medically disadvantaged areas as determined by the Director of the Oregon [*Health Authority*] **De-**
43 **partment of Health**, or upon a showing that a severe hardship would result from enforcing a par-
44 ticular requirement.

45 (3) The [*authority*] **department** shall exempt from rules adopted under this section air ambu-

1 lances that do not charge for the provision of ambulance services.

2 **SECTION 1646.** ORS 682.075 is amended to read:

3 682.075. (1) Subject to any law or rule pursuant thereto relating to the construction or equip-
4 ment of ambulances, the Oregon [*Health Authority*] **Department of Health** shall, with the advice
5 of the State Emergency Medical Service Committee appointed under ORS 682.039 and in accordance
6 with ORS chapter 183, adopt and when necessary amend or repeal rules relating to the construction,
7 maintenance, capacity, sanitation, emergency medical supplies and equipment of ambulances.

8 (2) In order for an owner to secure and retain a license for an ambulance under this chapter,
9 it shall meet the requirements imposed by rules of the [*authority*] **department**. The requirements
10 may relate to construction, maintenance, capacity, sanitation and emergency medical supplies and
11 equipment on ambulances. Such requirements shall include, but are not limited to, requirements re-
12 lating to space in patient compartments, access to patient compartments, storage facilities, operating
13 condition, cots, mattresses, stretchers, cot and stretcher fasteners, bedding, oxygen and resuscitation
14 equipment, splints, tape, bandages, tourniquets, patient convenience accessories, cleanliness of ve-
15 hicle and laundering of bedding.

16 **SECTION 1647.** ORS 682.079 is amended to read:

17 682.079. (1)(a) The Oregon [*Health Authority*] **Department of Health** may grant exemptions or
18 variances from one or more of the requirements of ORS 820.330 to 820.380 or this chapter or the
19 rules adopted under ORS 820.330 to 820.380 or this chapter to any class of vehicles if the
20 [*authority*] **department** finds that compliance with the requirement or requirements is inappropriate:

21 (A) Because special circumstances exist that would render compliance unreasonable, burden-
22 some or impractical because of special conditions or cause; or

23 (B) Because compliance would result in substantial curtailment of necessary ambulance service.

24 (b) Exemptions or variances granted under this subsection may be limited in time or may be
25 conditioned as the [*authority*] **department** considers necessary to protect the public welfare.

26 (2) In determining whether or not a variance shall be granted, the [*authority*] **department**:

27 (a) May receive the advice of the State Emergency Medical Service Committee; and

28 (b) In all cases, shall weigh the equities involved and the advantages and disadvantages to the
29 welfare of patients and the owners of vehicles.

30 (3) Rules under this section shall be adopted, amended or repealed in accordance with ORS
31 183.330.

32 **SECTION 1648.** ORS 682.085 is amended to read:

33 682.085. (1) The Oregon [*Health Authority*] **Department of Health** or its authorized represen-
34 tatives may at reasonable times inspect ambulances and ambulance services licensed or subject to
35 being licensed under this chapter.

36 (2) The [*authority*] **department** may suspend or revoke a license if the ambulance service owner
37 fails to take corrective action required pursuant to an inspection of an ambulance or ambulance
38 service under this section.

39 **SECTION 1649.** ORS 682.105 is amended to read:

40 682.105. (1) In order to secure and retain a license under this chapter, the owner of an ambu-
41 lance or ambulance service, other than a governmental unit, shall file and maintain with the Oregon
42 [*Health Authority*] **Department of Health** proof of ability to respond in damages for liability arising
43 from the ownership, operation, use or maintenance of the ambulance, or arising from the delivery
44 of prehospital care, in the amount of:

45 (a) \$100,000 because of bodily injury to or death of one person in any one accident;

1 (b) Subject to that limit for one person, \$300,000 because of bodily injury to or death of two or
 2 more persons in any one accident;

3 (c) \$20,000 because of injury to or destruction of the property of others in any one accident; and

4 (d) \$500,000 because of injury arising from the negligent provision of prehospital care to any
 5 individual.

6 (2) Proof of financial responsibility under subsection (1) of this section may be given by filing
 7 with the [authority] **department**, for the benefit of the owner:

8 (a) A certificate of insurance issued by an insurance carrier licensed to transact insurance in
 9 this state showing that the owner has procured and that there is in effect a motor vehicle liability
 10 policy for the limits of financial responsibility mentioned in subsection (1)(a) to (c) of this section
 11 designating by explicit description all motor vehicles with respect to which coverage is granted
 12 thereby and insuring the named insured and all other persons using any such motor vehicle with
 13 insured's consent against loss from the liabilities imposed by law for damages arising out of the
 14 ownership, operation, use or maintenance of any such motor vehicle, and that there is in effect a
 15 professional liability policy for the limit of financial responsibility described in subsection (1)(d) of
 16 this section insuring the named insured and all other persons engaged in the provision of prehospital
 17 care under the auspices of the licensed ambulance service against loss from the liabilities imposed
 18 by law for damages arising out of the provision of prehospital care;

19 (b) A bond conditioned for the paying in behalf of the principal, the limits of financial respon-
 20 sibility mentioned in subsection (1) of this section; or

21 (c) A certificate of the State Treasurer that such owner has deposited with the State Treasurer
 22 the sum of \$320,000 in cash, in the form of an irrevocable letter of credit issued by an insured in-
 23 stitution as defined in ORS 706.008 or in securities such as may legally be purchased by fiduciaries
 24 or for trust funds of a market value of \$320,000.

25 **SECTION 1650.** ORS 682.107 is amended to read:

26 682.107. (1) When insurance is the method chosen to prove financial responsibility, the certif-
 27 icate of insurance shall be signed by an authorized company representative and shall contain the
 28 following information:

29 (a) The date on which the policy was issued.

30 (b) The name and address of the named insured.

31 (c) The policy number.

32 (d) The amount of coverage in terms of the liability limits stated in ORS 682.105.

33 (2) The policy of insurance for which the certificate is given shall not be canceled or terminated
 34 except upon the giving of 10 days' prior written notice to the Oregon [Health Authority] **Depart-**
 35 **ment of Health**. However, an insurance policy subsequently procured and certified to the
 36 [authority] **department** shall, on the date the certificate is filed with the [authority] **department**,
 37 terminate the insurance previously certified with respect to any owner or vehicle designated in both
 38 certificates.

39 (3) The vehicle policy need not insure any liability under any worker's compensation, nor any
 40 liability on account of bodily injury to or death of an employee of the insured while engaged in the
 41 employment of the insured, or while engaged in the operation, maintenance or repair of a vehicle
 42 nor any liability for damage to property owned by, rented to, in charge of or transported by the
 43 insured.

44 (4) The requirements for a vehicle liability policy and certificate of insurance may be fulfilled
 45 by the policies and certificates of one or more insurance carriers which policies and certificates

1 together meet such requirements.

2 **SECTION 1651.** ORS 682.109 is amended to read:

3 682.109. ORS 682.111 to 682.117 apply to a bond, letter of credit or certificate evidencing deposit
4 with the Oregon [*Health Authority*] **Department of Health** that is the method chosen to prove fi-
5 nancial responsibility under this chapter. The dollar amounts required for the bonds, letters of credit
6 or deposits shall be \$320,000.

7 **SECTION 1652.** ORS 682.111 is amended to read:

8 682.111. A bond used to comply with financial responsibility requirements under this chapter
9 must meet all of the following requirements:

10 (1) The bond must be in the amount required by ORS 682.109.

11 (2) The bond must be approved by a judge of a court of record in this state.

12 (3) The bond must contain a provision that it cannot be canceled except upon the giving of 10
13 days' prior written notice to the Oregon [*Health Authority*] **Department of Health**.

14 (4) The bond must be provided by either of the following:

15 (a) A surety company.

16 (b) Two persons who are residents of Oregon and who each own real property in this state
17 having together equities at least of the value required for the bond under ORS 682.109.

18 (5) If the bond is provided by real property owners in this state, the bond must contain a
19 schedule of the real property owned by each of the sureties that will be used to meet the financial
20 responsibility requirements of this chapter.

21 (6) The bond must be conditioned to pay, on behalf of the principal, the limits of financial re-
22 sponsibility requirements under this chapter.

23 (7) The bond must be conditioned to pay, on behalf of the principal, judgments against a person
24 for liability described in ORS 682.105 and must be subject to action under ORS 682.113.

25 (8) The bond is subject to any rules adopted by the [*authority*] **department** relating to such
26 bonds.

27 **SECTION 1653.** ORS 682.117 is amended to read:

28 682.117. (1) A person may satisfy the financial responsibility requirements of ORS 682.105 by
29 depositing with the Oregon [*Health Authority*] **Department of Health** the following:

30 (a) Cash;

31 (b) Legally issued general obligations of the United States, the agencies and instrumentalities
32 of the United States and the States of Oregon, Washington, Idaho and California;

33 (c) Certificates of deposit or other similar instruments if the instruments are insured by the
34 Federal Deposit Insurance Corporation; or

35 (d) Any combination of cash or instruments described in this subsection.

36 (2) The [*authority*] **department** shall hold the deposit under terms and conditions that the [*au-*
37 *thority*] **department** designates by rule. The [*authority*] **department** may deliver the deposit to the
38 State Treasurer, who shall receive and hold the deposit subject to the order of the [*authority*] **de-**
39 **partment**. The depositor shall reimburse the State Treasurer for any expenses incurred by the State
40 Treasurer in mailing, insuring, shipping or delivering the cash or instruments in the deposit.

41 (3) The [*authority*] **department**, by order, may authorize the State Treasurer to use the deposit
42 as follows:

43 (a) To satisfy any execution on a judgment that is against the person making the deposit for any
44 liability described in ORS 682.105 and that results from a cause of action that accrued after the
45 deposit was made; or

1 (b) To release any or all of the deposit to the depositor or other person as the [authority] **de-**
2 **partment** considers appropriate.

3 (4) While deposited with the [authority] **department**, the cash or instruments in the deposit are
4 not subject to attachment or execution unless the attachment or execution arises out of a judgment
5 against the person making the deposit for any liability described in ORS 682.105 and that results
6 from a cause of action that accrued after the deposit was made.

7 (5) The [authority] **department** shall issue the depositor a certificate evidencing the deposit.

8 **SECTION 1654.** ORS 682.208 is amended to read:

9 682.208. (1) A person desiring to be licensed as an emergency medical services provider shall
10 submit an application for licensure to the Oregon [Health Authority] **Department of Health**. The
11 application must be upon forms prescribed by the [authority] **department** and must contain:

12 (a) The name and address of the applicant.

13 (b) The name and location of the training course successfully completed by the applicant and
14 the date of completion.

15 (c) Evidence that the [authority] **department** determines is satisfactory to prove that the
16 applicant's physical and mental health is such that it is safe for the applicant to act as an emer-
17 gency medical services provider.

18 (d) Other information as the [authority] **department** may reasonably require to determine com-
19 pliance with applicable provisions of this chapter and the rules adopted under this chapter.

20 (2) The application must be accompanied by proof as prescribed by rule of the [authority] **de-**
21 **partment** of the applicant's successful completion of a training course approved by the [authority]
22 **department** and, if an extended period of time has elapsed since the completion of the course, of
23 a satisfactory amount of continuing education.

24 (3) The [authority] **department** shall adopt a schedule of minimum educational requirements in
25 emergency and nonemergency care for emergency medical services providers. A course approved by
26 the [authority] **department** must be designed to protect the welfare of out-of-hospital patients, to
27 promote the health, well-being and saving of the lives of such patients and to reduce their pain and
28 suffering.

29 **SECTION 1655.** ORS 682.212 is amended to read:

30 682.212. (1) An applicant for an emergency medical services provider license shall submit a
31 nonrefundable application fee with the initial application. In addition, an applicant shall submit a
32 nonrefundable examination fee for the following purposes:

33 (a) Emergency medical services provider written examination;

34 (b) Emergency medical services provider practical examination; and

35 (c) A fee deemed necessary by the Oregon [Health Authority] **Department of Health** to cover
36 the fee charged by the national examination agency or other examination service utilized by the
37 [authority] **department** for the purpose of examining candidates for an emergency medical services
38 provider license.

39 (2) Subject to the review of the Oregon Department of Administrative Services, the fees and
40 charges established under this section may not exceed the cost of administering the regulatory
41 program of the [authority] **Oregon Department of Health** pertaining to the purpose for which the
42 fee or charge is established, as authorized by the Legislative Assembly for the [authority's]
43 **department's** budget, as the budget may be modified by the Emergency Board.

44 (3) All moneys received by the [authority] **Oregon Department of Health** under this chapter
45 shall be paid into the General Fund in the State Treasury and placed to the credit of the

1 [authority] **department** account and such moneys hereby are appropriated continuously to the [au-
2 thority] **department** and shall be used only for the administration and enforcement of this chapter.

3 **SECTION 1656.** ORS 682.216 is amended to read:

4 682.216. (1) When application has been made as required under ORS 682.208, the Oregon [Health
5 Authority] **Department of Health** shall license the applicant as an emergency medical services
6 provider if it finds:

7 (a) The applicant has successfully completed a training course approved by the [authority] **de-**
8 **partment.**

9 (b) The applicant meets the physical and mental qualifications required under ORS 682.208.

10 (c) No matter has been brought to the attention of the [authority] **department** which would
11 disqualify the applicant.

12 (d) A nonrefundable fee has been paid to the [authority] **department** pursuant to ORS 682.212.

13 (e) The applicant for an emergency medical services provider license:

14 (A) Is 18 years of age or older if the applicant is applying for a license at a level higher than
15 emergency medical responder; or

16 (B) Is 16 years of age or older if the applicant is applying for a license at the emergency medical
17 responder level.

18 (f) The applicant has successfully completed examination as prescribed by the [authority] **de-**
19 **partment.**

20 (g) The applicant meets other requirements prescribed by rule of the [authority] **department.**

21 (2) The [authority] **department** may provide for the issuance of a provisional license for emer-
22 gency medical services providers.

23 (3) The [authority] **department** may issue an emergency medical services provider license by
24 indorsement without proof of completion of an approved training course to an emergency medical
25 services provider who is licensed to practice emergency care in another state of the United States
26 or a foreign country if, in the opinion of the [authority] **department**, the applicant meets the re-
27 quirements for licensure in this state and can demonstrate to the satisfaction of the [authority] **de-**
28 **partment** competency to practice emergency care. The [authority] **department** is the sole judge of
29 credentials of any emergency medical services provider applying for licensure without proof of
30 completion of an approved training course.

31 (4) A person licensed under this section shall submit, at the time of application for renewal of
32 the license to the [authority] **department**, evidence of the applicant's satisfactory completion of an
33 [authority] **department** approved program of continuing education and other requirements pre-
34 scribed by rule by the [authority] **department.**

35 (5) The [authority] **department** shall prescribe criteria and approve programs of continuing ed-
36 ucation in emergency and nonemergency care to meet the requirements of this section.

37 (6) The [authority] **department** shall include a fee pursuant to ORS 682.212 for late renewal and
38 for issuance of any duplicate license. Each license issued under this section, unless sooner sus-
39 pended or revoked, expires and is renewable after a period of two years. Each license must be re-
40 newed on or before June 30 of every second year or on or before such date as may be specified by
41 [authority] **department** rule. The [authority] **department** by rule shall establish a schedule of li-
42 cense renewals under this subsection and shall prorate the fees to reflect any shorter license period.

43 (7) Nothing in this chapter authorizes an emergency medical services provider to operate an
44 ambulance without a driver license as required under the Oregon Vehicle Code.

45 **SECTION 1657.** ORS 682.218 is amended to read:

1 682.218. The Oregon [*Health Authority*] **Department of Health** shall adopt rules to allow an
 2 applicant for licensure by indorsement as an emergency medical services provider to substitute ex-
 3 perience and certification by a national registry of emergency medical services providers for edu-
 4 cation requirements imposed by the [*authority*] **department**.

5 **SECTION 1658.** ORS 682.220 is amended to read:

6 682.220. (1) The Oregon [*Health Authority*] **Department of Health** may deny, suspend or revoke
 7 licenses for ambulances and ambulance services in accordance with the provisions of ORS chapter
 8 183 for a failure to comply with any of the requirements of ORS 820.350 to 820.380 and this chapter
 9 or the rules adopted thereunder.

10 (2) The license of an emergency medical services provider may be denied, suspended or revoked
 11 in accordance with the provisions of ORS chapter 183 for any of the following reasons:

12 (a) A failure to have completed successfully an [*authority*] **department** approved course.

13 (b) In the case of a provisional license, failure to have completed successfully an [*authority*]
 14 **department** approved course.

15 (c) Failure to meet or continue to meet the physical and mental qualifications required under
 16 ORS 682.208.

17 (d) The use of fraud or deception in receiving a license.

18 (e) Practicing skills beyond the scope of practice established by the Oregon Medical Board un-
 19 der ORS 682.245.

20 (f) Rendering emergency or nonemergency care under an assumed name.

21 (g) The impersonation of another emergency medical services provider.

22 (h) Unprofessional conduct.

23 (i) Obtaining a fee by fraud or misrepresentation.

24 (j) Habitual or excessive use of intoxicants or drugs.

25 (k) The presence of a mental disorder that demonstrably affects an emergency medical services
 26 provider's performance, as certified by two psychiatrists retained by the [*authority*] **department**.

27 (L) Subject to ORS 670.280, conviction of any criminal offense that reasonably raises questions
 28 about the ability of the emergency medical services provider to perform the duties of an emergency
 29 medical services provider in accordance with the standards established by this chapter. A copy of
 30 the record of conviction, certified to by the clerk of the court entering the conviction, is conclusive
 31 evidence of the conviction.

32 (m) Suspension or revocation of an emergency medical services provider license issued by an-
 33 other state:

34 (A) For a reason that would permit the [*authority*] **department** to suspend or revoke a license
 35 issued under this chapter; and

36 (B) Evidenced by a certified copy of the order of suspension or revocation.

37 (n) Gross negligence or repeated negligence in rendering emergency medical assistance.

38 (o) Rendering emergency or nonemergency care without being licensed, except as provided in
 39 ORS 30.800.

40 (p) Rendering emergency or nonemergency care as an emergency medical services provider
 41 without written authorization and standing orders from a supervising physician who has been ap-
 42 proved by the Oregon Medical Board in accordance with ORS 682.245.

43 (q) Refusing an invitation for an interview with the [*authority*] **department** as specified in this
 44 section.

45 (3) The [*authority*] **department** may investigate any evidence that appears to show that an

1 emergency medical services provider licensed by the [authority] **department** is or may be medically
2 incompetent, guilty of unprofessional or dishonorable conduct or mentally or physically unable to
3 safely function as an emergency medical services provider. The [authority] **department** may inves-
4 tigate the off-duty conduct of an emergency medical services provider to the extent that such con-
5 duct may reasonably raise questions about the ability of the emergency medical services provider
6 to perform the duties of an emergency medical services provider in accordance with the standards
7 established by this chapter. Upon receipt of a complaint about an emergency medical services pro-
8 vider or applicant, the [authority] **department** shall conduct an investigation as described under
9 ORS 676.165. The [authority] **department** shall conduct the investigation in accordance with ORS
10 676.175.

11 (4)(a) Unless state or federal laws relating to confidentiality or the protection of health infor-
12 mation prohibit disclosure, any health care facility licensed under ORS 441.015 to 441.087 and
13 441.820, any physician licensed under ORS 677.100 to 677.228, any owner of an ambulance licensed
14 under this chapter or any emergency medical services provider licensed under this chapter shall
15 report to the [authority] **department** any information the person may have that appears to show
16 that an emergency medical services provider is or may be medically incompetent, guilty of unpro-
17 fessional or dishonorable conduct or mentally or physically unable to safely function as an emer-
18 gency medical services provider.

19 (b) Unless state or federal laws relating to confidentiality or the protection of health information
20 prohibit disclosure, an emergency medical services provider licensed under this chapter who has
21 reasonable cause to believe that a licensee of another board has engaged in prohibited conduct as
22 defined in ORS 676.150 shall report the prohibited conduct in the manner provided in ORS 676.150.

23 (5) If, in the opinion of the [authority] **department**, it appears that the information provided to
24 it under provisions of this section is or may be true, the [authority] **department** may request an
25 interview with the emergency medical services provider. At the time the [authority] **department**
26 requests an interview, the [authority] **department** shall provide the emergency medical services
27 provider with a general statement of the issue or issues of concern to the [authority] **department**.
28 The request must include a statement of the procedural safeguards available to the emergency
29 medical services provider, including the right to end the interview on request, the right to have
30 counsel present and the following statement: "Any action proposed by the Oregon [Health
31 Authority] **Department of Health** shall provide for a contested case hearing."

32 (6) Information regarding an ambulance service provided to the [authority] **department** pursuant
33 to this section is confidential and is not subject to public disclosure or admissible as evidence in
34 any judicial proceeding. Information that the [authority] **department** obtains as part of an investi-
35 gation into the conduct of an emergency medical services provider or applicant or as part of a
36 contested case proceeding, consent order or stipulated agreement involving the conduct of an
37 emergency medical services provider or applicant is confidential as provided under ORS 676.175.
38 Information regarding an ambulance service does not become confidential due to its use in a disci-
39 plinary proceeding against an emergency medical services provider.

40 (7) A person who reports or provides information to the [authority] **department** under this sec-
41 tion and who provides information in good faith is not subject to an action for civil damage as a
42 result thereof.

43 (8) In conducting an investigation under subsection (3) of this section, the [authority] **depart-**
44 **ment** may:

45 (a) Take evidence;

1 (b) Take depositions of witnesses, including the person under investigation, in the manner pro-
2 vided by law in civil cases;

3 (c) Compel the appearance of witnesses, including the person under investigation, in the manner
4 provided by law in civil cases;

5 (d) Require answers to interrogatories; and

6 (e) Compel the production of books, papers, accounts, documents and testimony pertaining to the
7 matter under investigation.

8 (9) The [authority] **department** may issue subpoenas to compel compliance with the provisions
9 of subsection (8) of this section. If any person fails to comply with a subpoena issued under this
10 subsection, or refuses to testify on matters on which the person may lawfully be interrogated, a
11 court may compel obedience as provided in ORS 183.440.

12 **SECTION 1659.** ORS 682.224 is amended to read:

13 682.224. (1) The Oregon [Health Authority] **Department of Health** may discipline, as provided
14 in this section, an ambulance service or an emergency medical services provider who has:

15 (a) Admitted the facts of a complaint that alleges facts that establish that the emergency med-
16 ical services provider is guilty of one or more of the grounds for suspension or revocation of a li-
17 cense as set forth in ORS 682.220 or that an ambulance service has violated the provisions of this
18 chapter or the rules adopted thereunder.

19 (b) Been found guilty in accordance with ORS chapter 183 of one or more of the grounds for
20 suspension or revocation of a license as set forth in ORS 682.220 or that an ambulance service has
21 violated the provisions of this chapter or the rules adopted thereunder.

22 (2) The purpose of disciplining an emergency medical services provider under this section is to
23 ensure that the emergency medical services provider will provide services that are consistent with
24 the obligations of this chapter. Prior to taking final disciplinary action, the [authority] **department**
25 shall determine if the emergency medical services provider has been disciplined for the questioned
26 conduct by the emergency medical services provider's employer or supervising physician. The [au-
27 thority] **department** shall consider any such discipline or any other corrective action in deciding
28 whether additional discipline or corrective action by the [authority] **department** is appropriate.

29 (3) In disciplining an emergency medical services provider or ambulance service as authorized
30 by subsection (1) of this section, the [authority] **department** may use any or all of the following
31 methods:

32 (a) Suspend judgment.

33 (b) Issue a letter of reprimand.

34 (c) Issue a letter of instruction.

35 (d) Place the emergency medical services provider or ambulance service on probation.

36 (e) Suspend the license of the emergency medical services provider or ambulance service.

37 (f) Revoke the license of the emergency medical services provider or ambulance service.

38 (g) Place limitations on the license of the emergency medical services provider or ambulance
39 service.

40 (h) Take such other disciplinary action as the [authority] **department** in its discretion finds
41 proper, including assessment of the costs of the disciplinary proceedings as a civil penalty or as-
42 sessment of a civil penalty not to exceed \$5,000, or both.

43 (4) In addition to the action authorized by subsection (3) of this section, the [authority] **depart-**
44 **ment** may temporarily suspend a license without a hearing, simultaneously with the commencement
45 of proceedings under ORS chapter 183 if the [authority] **department** finds that evidence in its pos-

1 session indicates that a continuation in practice of the emergency medical services provider or op-
2 eration of the ambulance service constitutes an immediate danger to the public.

3 (5) If the [authority] **department** places any emergency medical services provider or ambulance
4 service on probation as set forth in subsection (3)(d) of this section, the [authority] **department** may
5 determine, and may at any time modify, the conditions of the probation and may include among them
6 any reasonable condition for the purpose of protection of the public and for the purpose of the re-
7 habilitation of the emergency medical services provider or ambulance service, or both. Upon expi-
8 ration of the term of probation, further proceedings shall be abated if the emergency medical
9 services provider or ambulance service has complied with the terms of the probation.

10 (6)(a) If an emergency medical services provider's license is suspended, the emergency medical
11 services provider may not practice during the term of suspension.

12 (b) If an ambulance service licensed in this state is suspended, the ambulance service may not
13 operate in this state during the term of the suspension, provided that the [authority] **department**
14 shall condition such suspension upon such arrangements as may be necessary to ensure the contin-
15 ued availability of ambulance service in the area served by that ambulance service.

16 (c) Upon expiration of the term of suspension, the license shall be reinstated by the [authority]
17 **department** if the conditions for which the license was suspended no longer exist.

18 (7) Whenever an emergency medical services provider or ambulance service license is denied
19 or revoked for any cause, the [authority] **department** may, in its discretion, after the lapse of two
20 years from the date of the denial or revocation, upon written application by the person formerly li-
21 censed and after a hearing, issue or restore the emergency medical services provider or ambulance
22 service license.

23 (8) Civil penalties under this section shall be imposed as provided in ORS 183.745.

24 **SECTION 1660.** ORS 682.245 is amended to read:

25 682.245. (1) The Oregon Medical Board shall adopt by rule a scope of practice for each level of
26 emergency medical services provider established by the Oregon [Health Authority] **Department of**
27 **Health** pursuant to ORS 682.017.

28 (2) The board shall adopt by rule standards for the qualifications and responsibilities of super-
29 vising physicians.

30 (3) The standing orders for emergency medical services providers may not exceed the scope of
31 practice defined by the board.

32 (4) An emergency medical services provider may not provide patient care or treatment without
33 written authorization and standing orders from a supervising physician who has been approved by
34 the board.

35 (5) The policies and procedures for applying and enforcing this section may be delegated in
36 whole or in part to the [authority] **department**.

37 **SECTION 1661.** ORS 682.400 is amended to read:

38 682.400. (1) As used in this section:

39 (a) "Emergency medical services" means the services provided by an emergency medical services
40 provider to an individual experiencing a medical emergency in order to:

41 (A) Assess, treat and stabilize the individual's medical condition; or

42 (B) Prepare and transport the individual to a medical facility.

43 (b) "Emergency medical services provider" means a nonfederal or nonpublic entity that:

44 (A) Employs individuals who are licensed by the Oregon [Health Authority] **Department of**
45 **Health** under ORS chapter 682 to provide emergency medical services; and

1 (B) Contracts with a local government pursuant to a plan described in ORS 682.062.

2 (c) "Emergency medical services transport" means an emergency medical services provider's
3 evaluation of an individual experiencing a medical emergency and the transportation of the indi-
4 vidual to the nearest medical facility capable of meeting the needs of the individual.

5 (d) "Federal financial participation" has the meaning given that term in ORS 413.234.

6 (e)(A) "Gross receipts" means gross payments received as patient care revenue for emergency
7 medical services transports, determined on a cash basis of accounting.

8 (B) "Gross receipts" does not include Medicaid supplemental reimbursement pursuant to ORS
9 413.234.

10 (f) "Local government" has the meaning given that term in ORS 174.116.

11 (2) The Oregon [*Health Authority*] **Department of Health** may request approval from the Cen-
12 ters for Medicare and Medicaid Services to administer the program described in this section. Upon
13 receipt of approval, the [*authority*] **department** shall:

14 (a) Annually assess a quality assurance fee on each emergency medical services transport pro-
15 vided by an emergency medical services provider licensed in this state in an amount equal to the
16 lesser of the amount permitted by federal law and five percent of the projected total gross receipts
17 for the following 12-month period, divided by the projected number of emergency medical services
18 transports in the same 12-month period. The projections must be based on the data reported under
19 paragraph (h) of this subsection.

20 (b) Prescribe the manner and due dates for the assessment and collection of quality assurance
21 fees under this section.

22 (c) Modify or make adjustments to any methodology, fee amount or other provision specified in
23 this section to the extent necessary to meet the requirements of federal law or to ensure federal
24 financial participation in the costs of emergency medical services transports reimbursed by the
25 [*authority*] **department**.

26 (d) Assess interest on quality assurance fees not paid by the date due at 10 percent per annum,
27 beginning on the day after the date the payment was due.

28 (e) Assess a penalty equal to the interest charged under paragraph (d) of this subsection for
29 each month for which the payment is more than 60 days overdue.

30 (f) Deduct the amount of any unpaid fee, interest or penalty assessed under this section from
31 any fee-for-service medical assistance reimbursement owed to the emergency medical services pro-
32 vider until the full amount of the fee, interest or penalty is recovered. The [*authority*] **department**
33 may not make a deduction pursuant to this paragraph until after the [*authority*] **department** gives
34 the emergency medical services provider written notification. The [*authority*] **department** may per-
35 mit the amount owed to be deducted over a period of time that takes into account the financial
36 condition of the emergency medical services provider.

37 (g) Establish the reimbursement to be paid to an emergency medical services provider for an
38 emergency medical services transport in an amount that is equal to the amount of quality assurance
39 fees, interest and penalties assessed by the [*authority*] **department** under this section and the as-
40 sociated federal financial participation less any costs incurred by the [*authority*] **department** to
41 administer this section. An emergency medical services provider shall use a portion of the funds to
42 increase wages and benefits for employees. The reimbursement established under this paragraph:

43 (A) May not exceed the costs for the emergency medical services transport, determined in ac-
44 cordance with standards established by the [*authority*] **department**, less the amount of reimburse-
45 ment that the emergency medical services provider is eligible to receive from all public and private

1 sources.

2 (B) Shall be paid only from federal financial participation in the costs of emergency medical
3 services transports and the Emergency Medical Services Fund established under ORS 682.403.

4 (C) May not be used to supplant existing funding for emergency medical services transports and
5 the Emergency Medical Services Fund established under ORS 682.403.

6 (D) Shall be required and payable only for periods in which emergency medical services pro-
7 viders are required to pay quality assurance fees.

8 (E) May be reduced by the [authority] **department** to provide grants to emergency medical
9 services providers for innovative ambulance programs.

10 (h) Prescribe the form and manner for an emergency medical services provider to report the
11 data necessary to administer this section, including information about the portion of funds that the
12 emergency medical services provider used to increase wages and benefits for employees, and may
13 require a certification by each emergency medical services provider under penalty of perjury of the
14 truth of the data reported under this paragraph.

15 (i) Require a medical services provider to report to the [authority] **department** the number of
16 emergency medical services transports it provided in each 12-month period, by payer type.

17 (j) Require an emergency medical services provider to report to the [authority] **department** its
18 gross receipts for each 12-month period.

19 (k) Require an emergency medical services provider to report to the [authority] **department** the
20 provider's costs for emergency medical services transports.

21 (3) All quality assurance fees and interest collected under this section shall be deposited into
22 the Emergency Medical Services Fund established in ORS 682.403.

23 (4) The [authority] **department** may waive a portion or all of the interest or penalties, or both,
24 assessed under subsection (2) of this section if the [authority] **department** determines that the im-
25 position of the full amount of the quality assurance fee in accordance with the due dates established
26 under subsection (2) of this section is likely to impose an undue financial hardship on the emergency
27 medical services provider. The waiver must be conditioned on the emergency medical services
28 provider's agreement to pay the quality assurance fees on an alternative schedule developed by the
29 [authority] **department**.

30 (5) In the event of a merger, acquisition or similar transaction involving an emergency medical
31 services provider that has outstanding quality assurance fees, interest or penalties due, the succes-
32 sor emergency medical services provider is responsible for paying to the [authority] **department** the
33 full amount of outstanding quality assurance fees, interest and penalties that are due on the effec-
34 tive date of the merger, acquisition or transaction.

35 (6) The [authority] **department** shall modify the method for calculating or paying the re-
36 imbursement under subsection (2) of this section if the modification is necessary to ensure that the
37 expenditures for emergency medical services transports qualify for federal financial participation.

38 (7) The [authority] **department** shall administer this section in a manner that is consistent with:

39 (a) ORS 413.234 and 413.235; and

40 (b) Federal law, including the terms and conditions of agreements with the Centers for Medicare
41 and Medicaid Services.

42 (8) An emergency medical services provider shall report the data required by subsection (2)(h)
43 of this section within five days after the date upon which the report is due. After sending written
44 notice to an emergency medical services provider, the [authority] **department** may impose a penalty
45 of \$100 per day against an emergency medical services provider for every day that the report is

1 overdue. Any funds resulting from a penalty imposed under this subsection shall be deposited in the
2 General Fund to be available for general governmental purposes.

3 **SECTION 1662.** ORS 682.403 is amended to read:

4 682.403. (1) The Emergency Medical Services Fund is established in the State Treasury, separate
5 and distinct from the General Fund. The Emergency Medical Services Fund consists of moneys col-
6 lected by the Oregon [*Health Authority*] **Department of Health** under ORS 682.400 (3). Moneys in
7 the fund are continuously appropriated to the [*authority*] **department** for the purposes of:

8 (a) Providing grants to emergency medical services providers for innovative ambulance pro-
9 grams;

10 (b) Funding the state medical assistance program, including but not limited to increasing re-
11 imbursement rates for emergency medical services transports; and

12 (c) Administering ORS 682.400.

13 (2) Interest earned by the fund shall be credited to the fund.

14 **SECTION 1663.** ORS 682.991 is amended to read:

15 682.991. (1) Violation of any provision of ORS 682.028, 682.047 (5) or 682.204 is a Class A
16 misdemeanor. Each day of continuing violation shall be considered a separate offense.

17 (2) Violation of any provision of this chapter is a misdemeanor. In any prosecution for such vi-
18 olation it shall be sufficient to sustain a conviction to show a single act of conduct in violation of
19 any of the provisions of this chapter and it shall not be necessary to show a general course of such
20 conduct.

21 (3) In addition to the penalties under this section, the Oregon [*Health Authority*] **Department**
22 **of Health** may assess civil penalties of up to \$5,000 per violation against any entity or person li-
23 censed under this chapter or subject to licensure under this chapter.

24 **SECTION 1664.** ORS 685.055 is amended to read:

25 685.055. The Director of the Oregon [*Health Authority*] **Department of Health** may not dis-
26 criminate between licensed naturopathic physicians and any other person authorized by law to ren-
27 der professional services that a licensed naturopathic physician may render, when such services are
28 required. If the Oregon [*Health Authority*] **Department of Health** is responsible for paying for such
29 services, the services shall be paid for in the same manner and under the same standards as similar
30 professional services.

31 **SECTION 1665.** ORS 687.495 is amended to read:

32 687.495. (1) The Center for Health Statistics established under ORS 432.010 shall collect and
33 report data on birth and fetal death outcomes occurring in this state, including intrapartum and
34 neonatal transfers to hospital care from another birthing facility, hospital or other location. The
35 center shall report the data by attendant type. The report shall distinguish outcomes between li-
36 censed direct entry midwives and direct entry midwives who are not licensed under ORS 687.405 to
37 687.495.

38 (2) The Oregon [*Health Authority*] **Department of Health** may accept gifts, grants and contri-
39 butions from any public or private source for the purpose of carrying out the provisions of this
40 section.

41 **SECTION 1666.** ORS 688.545 is amended to read:

42 688.545. (1)(a) There is created the Board of Medical Imaging. The board consists of 12 members
43 appointed by the Governor and subject to confirmation by the Senate in the manner provided in ORS
44 171.562 and 171.565. Each member of the board must be a resident of this state. Of the members of
45 the board:

- 1 (A) One must be a licensed physician who is in good standing and who is a radiologist;
- 2 (B) Three must be licensed physicians who are in good standing and who apply to serve on the
3 board in a form and manner prescribed by the board;
- 4 (C) Five must be actively engaged medical imaging licensees, including one from each of the
5 medical imaging modalities listed in ORS 688.405; and
- 6 (D) Three must be members of the public.
- 7 (b) If the Board of Medical Imaging does not receive a sufficient number of applications to fill
8 the positions described in paragraph (a)(B) of this subsection, the Governor may appoint the re-
9 maining board members from applicants who have been retired for not more than six years and:
- 10 (A) Who are registered with the Oregon Medical Board as retired emeritus physicians; or
11 (B) Who provided the Oregon Medical Board with notice of retirement in accordance with ORS
12 677.175 and were in good standing with the Oregon Medical Board at the time of retirement.
- 13 (c) If the Board of Medical Imaging does not receive a sufficient number of applications to fill
14 the positions described in paragraphs (a)(B) and (b) of this subsection, the Governor may appoint the
15 remaining board members from among any combination of the following:
- 16 (A) A chiropractic physician licensed under ORS chapter 684 who is certified by the American
17 Chiropractic Board of Radiology as a Diplomate of the American Chiropractic Board of Radiology;
18 (B) An actively engaged medical imaging licensee;
- 19 (C) A limited X-ray machine operator who holds a permit issued under ORS 688.515; or
20 (D) A member of the public.
- 21 (d) A public member appointed under this subsection may not be:
- 22 (A) Otherwise eligible for appointment to the Board of Medical Imaging; or
23 (B) The spouse, domestic partner, child, parent or sibling of a person issued a license or permit
24 by the board.
- 25 (2)(a) Board members required to be medical imaging licensees may be selected by the Governor
26 from a list of three to five nominees for each vacancy, submitted by a professional organization
27 representing medical imaging licensees.
- 28 (b) In selecting the members of the board, the Governor shall strive to balance the represen-
29 tation on the board according to:
- 30 (A) Geographic areas of this state; and
31 (B) Ethnic group.
- 32 (3) The section manager of the Radiation Protection Services Section of the Oregon [*Health*
33 *Authority*] **Department of Health**, or a person appointed by the section manager, is an advisory
34 member of the board for the purpose of providing counsel and is not entitled to vote.
- 35 (4)(a) The term of office of the members of the board is three years, but a member serves at the
36 pleasure of the Governor. The terms must be staggered so that no more than four terms end each
37 year. A member is eligible for reappointment.
- 38 (b) A board member shall be removed immediately from the board if, during the member's term,
39 the member:
- 40 (A) Is not a resident of this state;
- 41 (B) Has been absent from three consecutive board meetings, unless at least one absence is ex-
42 cused;
- 43 (C) Is not a licensed physician or a retired licensed physician who was a licensed physician in
44 good standing at the time of retirement, if the board member was appointed to serve on the board
45 as a licensed physician;

1 (D) Is not a licensed chiropractic physician or a retired licensed chiropractic physician who was
 2 a licensed chiropractic physician in good standing at the time of retirement, if the board member
 3 was appointed to serve on the board as a licensed chiropractic physician;

4 (E) Is not a medical imaging licensee or a retired medical imaging licensee who was a medical
 5 imaging licensee in good standing at the time of retirement, if the board member was appointed to
 6 serve on the board as a medical imaging licensee; or

7 (F) Does not hold a valid permit issued under ORS 688.515, if the board member was appointed
 8 to serve on the board as a limited X-ray machine operator.

9 (5) Members of the board are entitled to compensation and expenses as provided in ORS 292.495.
 10 The board may provide by rule for compensation to board members for the performance of official
 11 duties at a rate that is greater than the rate provided in ORS 292.495.

12 (6) The board shall annually elect a board chairperson and a vice chairperson from the voting
 13 members of the board.

14 (7) For the purpose of transacting its business, the board must meet at least once every three
 15 months at times and places designated by resolution. Special meetings may also be held at such
 16 times as the board may elect or at the call of the chairperson. Notification of the time, place and
 17 purpose of any special meeting must be sent to all members of the board at least 15 days before the
 18 date of the meeting. All meetings are subject to ORS 192.610 to 192.690.

19 (8) Seven members of the board constitute a quorum for the transaction of business at any
 20 meeting. Seven affirmative votes are required to take action.

21 **SECTION 1667.** ORS 688.595 is amended to read:

22 688.595. The section manager of the Radiation Protection Services Section of the Oregon [*Health*
 23 *Authority*] **Department of Health** shall enforce the provisions of ORS 688.405 to 688.605. The sec-
 24 tion manager, or a designee of the Board of Medical Imaging, shall conduct, under the direction of
 25 the board, inspections in furtherance of the purposes of ORS 688.405 to 688.605.

26 **SECTION 1668.** ORS 688.620 is amended to read:

27 688.620. (1) As used in this section:

28 (a) “Advanced practice registered nurse” means a person who meets the requirements of ORS
 29 678.025.

30 (b) “Fluoroscopy” has the meaning given that term in ORS 688.510.

31 (c) “Medical imaging licensee” has the meaning given that term in ORS 688.405.

32 (d) “Radiography” has the meaning given that term in ORS 688.405.

33 (e) “Supervise fluoroscopy” means to provide direction to and consult with the medical imaging
 34 licensee who specializes in radiography and who is operating the fluoroscopic X-ray equipment.

35 (2) Except as provided in subsection (5) of this section, an advanced practice registered nurse
 36 may not supervise fluoroscopy unless the advanced practice registered nurse:

37 (a) Holds an active permit issued by the Board of Medical Imaging issued under this section;

38 (b) Supervises fluoroscopy only while a medical imaging licensee who specializes in radiography
 39 is operating the fluoroscopic X-ray equipment; and

40 (c) Complies with this section and any rule adopted by the Board of Medical Imaging, the
 41 Oregon State Board of Nursing and the Oregon [*Health Authority*] **Department of Health** related
 42 to fluoroscopy.

43 (3) The Board of Medical Imaging shall issue a permit to supervise fluoroscopy to an advanced
 44 practice registered nurse who:

45 (a) Meets any educational and examination requirements, and pays any related fees, established

1 by the Board of Medical Imaging, the Oregon State Board of Nursing and the [authority] **depart-**
2 **ment**;

3 (b) Submits an application to the Board of Medical Imaging in a form and manner prescribed
4 by the board;

5 (c) Pays a permit application fee established by the board by rule; and

6 (d) Meets the standards of ethical and professional conduct established by a credentialing or-
7 ganization or professional society related to the practice of medical imaging, as approved by the
8 board by rule.

9 (4) The Board of Medical Imaging shall renew a permit issued under this section if the advanced
10 practice registered nurse:

11 (a) Submits a renewal application to the board in a form and manner prescribed by the board;

12 (b) Pays a renewal fee established by the board by rule; and

13 (c) Completes any continuing education required by the board by rule.

14 (5)(a) An advanced practice registered nurse may, under the supervision of a physician licensed
15 under ORS chapter 677 or an advanced practice registered nurse who holds a permit issued under
16 this section, supervise fluoroscopy as part of an educational plan or program for the purpose of
17 meeting any educational requirements to be eligible for a permit under this section.

18 (b) Fluoroscopic X-ray equipment used under this subsection must be operated by a medical im-
19 aging licensee who specializes in radiography.

20 (6) Nothing in this section authorizes an advanced practice registered nurse to operate
21 fluoroscopic X-ray equipment.

22 (7) A person other than a physician licensed under ORS chapter 677 or an advanced practice
23 registered nurse authorized under this section may not supervise fluoroscopy unless specifically al-
24 lowed by law.

25 (8) Subject to the provisions of ORS chapter 183, the Board of Medical Imaging may refuse to
26 issue or renew a permit under this section or may suspend or revoke a permit under this section if
27 the applicant or permit holder violates a provision of this section or a rule adopted by the Board
28 of Medical Imaging, the Oregon State Board of Nursing or the [authority] **department** related to
29 fluoroscopy.

30 (9) The Board of Medical Imaging, the Oregon State Board of Nursing and the [authority] **de-**
31 **partment** may adopt rules as necessary to carry out this section. Any rules adopted under this
32 section must include rules establishing a waiver process through which an advanced practice reg-
33 istered nurse may submit documentation demonstrating sufficient experience or education to exempt
34 the advanced practice registered nurse from any clinical or didactic educational requirements
35 adopted by the Board of Medical Imaging under subsection (3) of this section.

36 **SECTION 1669.** ORS 688.625 is amended to read:

37 688.625. As used in ORS 688.625 to 688.665:

38 (1) "Dialysis facility or center" means a place awarded conditional or unconditional status by
39 the federal Centers for Medicare and Medicaid Services.

40 (2) "End stage renal disease" means a condition that requires either the replacement of kidney
41 functions through renal transplantation or the permanent assistance of those functions through
42 dialysis.

43 (3) "Hemodialysis technician" means a person certified by the Oregon [Health Authority] **De-**
44 **partment of Health** under ORS 688.650.

45 **SECTION 1670.** ORS 688.630 is amended to read:

1 688.630. (1) It is unlawful for any person to act as a hemodialysis technician without being cer-
2 tified by the Oregon [Health Authority] **Department of Health**.

3 (2) It is unlawful for any dialysis facility or center to authorize a person to act for it as a
4 hemodialysis technician without being certified by the [authority] **department**.

5 **SECTION 1671.** ORS 688.635 is amended to read:

6 688.635. (1) A person certified as a hemodialysis technician may, under the direct supervision
7 of a physician licensed under ORS chapter 677 or a registered nurse licensed under ORS 678.010 to
8 678.410, perform functions as determined by rules adopted by the Oregon [Health Authority] **De-**
9 **partment of Health**, in consultation with the Oregon Medical Board and the Oregon State Board
10 of Nursing.

11 (2) A hemodialysis technician shall not:

12 (a) Administer medications by oral, intramuscular, intravenous or subcutaneous means except
13 as specified under rules adopted by the [authority] **department** pursuant to subsection (1) of this
14 section.

15 (b) Determine the frequency, duration or nature of dialysis treatments or alter any treatment
16 prescribed by a licensed health professional.

17 (c) Engage in any health care activity requiring a license except as authorized under rules
18 adopted by the [authority] **department** pursuant to subsection (1) of this section.

19 **SECTION 1672.** ORS 688.640 is amended to read:

20 688.640. (1) For any person to be certified as a hemodialysis technician, an application for cer-
21 tification shall be made to the Oregon [Health Authority] **Department of Health**. The application
22 shall be upon forms prescribed by the [authority] **department** and shall contain:

23 (a) The name and address of the applicant.

24 (b) The name and location of the training course successfully completed by the applicant and
25 the date of completion and, if an extended period of time has elapsed since the completion of the
26 training, of the required amount of continuing education.

27 (c) Such other information as the [authority] **department** may reasonably require to determine
28 compliance with applicable provisions of ORS 688.625 to 688.665 and the rules adopted thereunder.

29 (2) The [authority] **department**, in consultation with the Oregon Medical Board and the Oregon
30 State Board of Nursing, shall adopt rules establishing initial training and continuing education re-
31 quirements.

32 **SECTION 1673.** ORS 688.645 is amended to read:

33 688.645. (1) An initial application fee shall be submitted with the application for hemodialysis
34 technician certification. If the applicant is taking an examination administered by the Oregon
35 [Health Authority] **Department of Health**, an additional fee shall be charged for the examination.

36 (2) The [authority] **department** may charge a fee for late renewal of a certificate and for issu-
37 ance of any duplicate certificate.

38 (3) Subject to the review of the Oregon Department of Administrative Services, the fees and
39 charges established under this section shall not exceed the cost of administering the certification
40 program of the [authority] **Oregon Department of Health** pertaining to the purpose for which the
41 fee or charge is established, as authorized by the Legislative Assembly for the [authority's]
42 **department's** budget, as the budget may be modified by the Emergency Board.

43 (4) All moneys received by the [authority] **Oregon Department of Health** under ORS 688.625
44 to 688.665 shall be paid into the General Fund in the State Treasury and placed to the credit of the
45 [authority] **department** account and such moneys hereby are appropriated continuously and shall

1 be used only for the administration and enforcement of ORS 688.625 to 688.665.

2 **SECTION 1674.** ORS 688.650 is amended to read:

3 688.650. (1)(a) When application has been made as required under ORS 688.640, the Oregon
4 *[Health Authority]* **Department of Health** shall certify an applicant as a hemodialysis technician if
5 the *[authority]* **department** finds that the applicant:

6 (A) Has successfully completed the training requirement adopted by the *[authority]*
7 **department**.

8 (B) Has paid a fee to the *[authority]* **department** pursuant to ORS 688.645.

9 (C) Has successfully completed an examination administered by the *[authority]* **department** or
10 administered by another public or private entity and approved by the *[authority]* **department**.

11 (D) Meets any other requirements prescribed by rule of the *[authority]* **department**.

12 (b) An applicant meets the requirements of paragraph (a)(A) of this subsection if the applicant
13 provides the *[authority]* **department** with documentation of military training or experience that the
14 *[authority]* **department** determines is substantially equivalent to the training requirement adopted
15 by the *[authority]* **department**.

16 (2) The *[authority]* **department** may provide for the issuance of a temporary or provisional cer-
17 tification for a person to practice as a hemodialysis technician until the person has taken and passed
18 the next held certification examination available to the person and has received a certificate. The
19 *[authority]* **department** may impose any conditions or limitations on a temporary or provisional
20 certificate that the *[authority]* **department** considers reasonable and necessary to protect the public.
21 A temporary or provisional certificate may be held only by a person who:

22 (a) Has not received a failing grade on a certification examination approved or administered by
23 the *[authority]* **department**; and

24 (b)(A) Has successfully completed the initial training required by *[authority]* **department** rule;
25 or

26 (B) Is currently working in this or another state as a hemodialysis technician and is enrolled
27 in a program offering the initial training required by *[authority]* **department** rule.

28 (3) Each person holding a certificate under this section shall submit, at the time of application
29 for renewal of the certificate to the *[authority]* **department**, evidence of the applicant's satisfactory
30 completion of any continuing education requirements prescribed by rule by the *[authority]* **depart-**
31 **ment**.

32 (4) The *[authority]* **department** shall prescribe criteria and approve programs of continuing ed-
33 ucation.

34 (5) Each certification issued under this section, unless sooner suspended or revoked, shall expire
35 and be renewable after a period of two years. Each certificate must be renewed on or before June
36 30 of every second year or on or before such date as may be specified by *[authority]* **department**
37 rule. The *[authority]* **department** by rule shall establish a schedule of certificate renewals under this
38 subsection and shall prorate the fees to reflect any shorter certificate period.

39 **SECTION 1675.** ORS 688.655 is amended to read:

40 688.655. (1) The certification of a hemodialysis technician may be denied, suspended or revoked
41 in accordance with the provisions of ORS chapter 183 for any of the following:

42 (a) Failure to complete continuing education requirements.

43 (b) The use of fraud or deception in receiving a certificate.

44 (c) Habitual or excessive use of intoxicants or drugs.

45 (d) The presence of a mental disorder that demonstrably affects a technician's performance, as

1 certified by two psychiatrists retained by the Oregon [*Health Authority*] **Department of Health**.

2 (e) Conviction of a criminal offense that the [*authority*] **department** considers reasonably re-
3 lated to the fitness of the person to practice hemodialysis.

4 (f) Suspension or revocation of a hemodialysis technician certificate issued by another state.

5 (g) Gross negligence or repeated negligence in rendering hemodialysis care.

6 (h) Any reason identified by [*authority*] **department** rule as rendering the applicant unfit to
7 perform the duties of a hemodialysis technician.

8 (2) The [*authority*] **department** may investigate any evidence that appears to show that a
9 hemodialysis technician certified by the [*authority*] **department** is or may be medically incompetent
10 or is or may be guilty of unprofessional or dishonorable conduct or is or may be mentally or phys-
11 ically unable to safely function as a hemodialysis technician.

12 (3) Any dialysis facility or center, any hemodialysis technician certified under ORS 688.650, any
13 physician licensed under ORS chapter 677 or any registered nurse licensed under ORS 678.010 to
14 678.410 shall report to the [*authority*] **department** any information the person may have that ap-
15 pears to show that a hemodialysis technician is or may be medically incompetent or is or may be
16 guilty of unprofessional or dishonorable conduct or is or may be mentally or physically unable to
17 safely function as a hemodialysis technician.

18 (4) Information provided to the [*authority*] **department** pursuant to this section is confidential
19 and shall not be subject to public disclosure, nor shall it be admissible as evidence in any judicial
20 proceeding.

21 (5) Any person who reports or provides information to the [*authority*] **department** under this
22 section and who provides information in good faith shall not be subject to an action for civil damage
23 as a result thereof.

24 **SECTION 1676.** ORS 688.660 is amended to read:

25 688.660. (1) The Oregon [*Health Authority*] **Department of Health** may discipline a person cer-
26 tified as a hemodialysis technician who has:

27 (a) Admitted the facts of a complaint alleging the person is guilty of violation of one or more
28 of the grounds for suspension or revocation of a certificate as set forth in ORS 688.655.

29 (b) Been found guilty in accordance with ORS chapter 183 of violation of one or more of the
30 grounds for suspension or revocation of certification as set forth in ORS 688.655.

31 (2) In disciplining a technician, the [*authority*] **department** may use any or all of the following
32 methods:

33 (a) Suspend judgment.

34 (b) Place the technician on probation.

35 (c) Suspend the technician's certificate.

36 (d) Revoke the technician's certificate.

37 (e) Place limitations on the ability of the technician to practice hemodialysis in this state.

38 (f) Take such other disciplinary action as the [*authority*] **department** in its discretion finds
39 proper, including assessment of the costs of the disciplinary proceedings, not to exceed \$1,000, as a
40 civil penalty or assessment of a civil penalty not to exceed \$1,000.

41 (3) In addition to the action authorized by subsection (2) of this section, the [*authority*] **depart-**
42 **ment** may temporarily suspend a certificate or license without a hearing, simultaneously with the
43 commencement of proceedings under ORS chapter 183, if the [*authority*] **department** finds that evi-
44 dence in its possession indicates that a continuation in practice of the technician constitutes an
45 immediate danger to the public.

1 (4) If the [authority] **department** places a technician on probation, the [authority] **department**
2 may determine, and may at any time modify, the conditions of the probation and may include among
3 them any reasonable condition for the purpose of protection of the public and for the purpose of the
4 rehabilitation of the technician. Upon expiration of the term of probation, further proceedings shall
5 be abated if the technician has complied with the terms of the probation.

6 (5) Civil penalties under this section shall be imposed as provided in ORS 183.745.

7 **SECTION 1677.** ORS 688.665 is amended to read:

8 688.665. The Oregon [Health Authority] **Department of Health** shall adopt rules that the [au-
9 thority] **department** considers necessary and proper to enforce ORS 688.625 to 688.665.

10 **SECTION 1678.** ORS 689.564 is amended to read:

11 689.564. (1) The State Board of Pharmacy shall adopt rules to require that, if a patient is of
12 limited English proficiency and the prescribing practitioner, patient or an authorized representative
13 of the patient so requests, a prescription drug dispensed by a pharmacy bear a label in both English
14 and in the language requested and, if authorized by the board by rule, include an informational in-
15 sert in both English and the language requested. The rules adopted under this section must:

16 (a) Define "limited English proficiency."

17 (b) Determine the pharmacies to which the requirements of this section apply, and include at
18 least retail drug outlets and other drug outlets that dispense prescription drugs.

19 (c) Determine for which prescription drugs it is appropriate to include an informational insert
20 in addition to the label. In adopting rules under this paragraph, the board shall consider the com-
21 plexity and length of the directions for use of the prescription drug.

22 (d)(A) Require that labels and informational inserts be available in at least 14 languages other
23 than English that are spoken in Oregon by individuals who are of limited English proficiency, as
24 determined by the most recent American Community Survey from the United States Census Bureau
25 and in consultation with the Oregon [Health Authority] **Department of Health** and other necessary
26 resources.

27 (B) Require the board to reassess, and update as necessary, the languages described in this
28 paragraph at least once every 10 years, in consultation with the [authority] **department** and other
29 stakeholders.

30 (2)(a) A pharmacy may contract with a third party for the translation of the labels and infor-
31 mational inserts required under subsection (1) of this section.

32 (b) A pharmacy, pharmacist or pharmacy intern that dispenses a prescription drug in compliance
33 with the requirements of subsection (1) of this section may not be held liable for injuries resulting
34 from the actions of a third party if the pharmacy from which the label or informational insert was
35 dispensed entered into a contract with the third party in good faith, and the pharmacy, pharmacist
36 or pharmacy intern was not negligent with regard to the alleged misconduct of the third party.

37 (3) This section does not apply to an institutional drug outlet.

38 (4) The board may adopt other rules as necessary to carry out this section.

39 (5) The board shall, in consultation with the Oregon [Health Authority] **Department of**
40 **Health**, adopt rules to require that a pharmacy post signage to provide notification of the right to
41 free, competent oral interpretation and translation services for patients who are of limited English
42 proficiency. Rules adopted under this subsection must comply with any relevant federal laws and
43 regulations.

44 **SECTION 1679.** ORS 689.605 is amended to read:

45 689.605. (1) In a hospital or long term care facility having a pharmacy and employing a

1 pharmacist, the pharmacy and pharmacist are subject to the requirements of this chapter, except
2 that in a hospital when a pharmacist is not in attendance, pursuant to standing orders of the
3 pharmacist, a registered nurse supervisor on the written order of a person authorized to prescribe
4 a drug may withdraw such drug in such volume or amount as needed for administration to or
5 treatment of an inpatient or outpatient until regular pharmacy services are available in accordance
6 with the rules adopted by the board. However, the State Board of Pharmacy may grant an exception
7 to the requirement for a written order by issuing a special permit authorizing the registered nurse
8 supervisor in a hospital to dispense medication on the oral order of a person authorized to prescribe
9 a drug. An inpatient care facility which does not have a pharmacy must have a drug room. In an
10 inpatient care facility having a drug room as may be authorized by rule of the Department of Human
11 Services or the Oregon [*Health Authority*] **Department of Health**, the drug room is not subject to
12 the requirements of this chapter relating to pharmacies. However, a drug room must be supervised
13 by a pharmacist and is subject to the rules of the State Board of Pharmacy. When a pharmacist is
14 not in attendance, any person authorized by the prescriber or by the pharmacist on written order
15 may withdraw such drug in such volume or amount as needed for administration to or treatment of
16 a patient, entering such withdrawal in the record of the responsible pharmacist.

17 (2) In a hospital having a drug room, any drug may be withdrawn from storage in the drug room
18 by a registered nurse supervisor on the written order of a licensed practitioner in such volume or
19 amount as needed for administration to and treatment of an inpatient or outpatient in the manner
20 set forth in subsection (1) of this section and within the authorized scope of practice.

21 (3) A hospital having a drug room shall cause accurate and complete records to be kept of the
22 receipt, withdrawal from stock and use or other disposal of all legend drugs stored in the drug room.
23 Such record shall be open to inspection by agents of the board and other qualified authorities.

24 (4) In an inpatient care facility other than a hospital, the drug room shall contain only pre-
25 scribed drugs already prepared for patients therein and such emergency drug supply as may be au-
26 thorized by rule by the Department of Human Services.

27 (5) The requirements of this section shall not apply to facilities described in ORS 441.065.

28 (6) A registered nurse who is an employee of a local health department that is registered by the
29 board under ORS 689.305 may, pursuant to the order of a person authorized to prescribe a drug or
30 device, dispense a drug or device to a client of the local health department for purposes of caries
31 prevention, birth control or prevention or treatment of a communicable disease. Such dispensing
32 shall be subject to rules jointly adopted by the board and the Oregon [*Health Authority*] **Depart-**
33 **ment of Health**.

34 (7) The board shall adopt rules authorizing a pharmacist to delegate to a registered nurse the
35 [*authority*] **Oregon Department of Health** to withdraw prescription drugs from a manufacturer's
36 labeled container for administration to persons confined in penal institutions including, but not
37 limited to, adult and juvenile correctional facilities. A penal institution, in consultation with a
38 pharmacist, shall develop policies and procedures regarding medication management, procurement
39 and distribution. A pharmacist shall monitor a penal institution for compliance with the policies and
40 procedures and shall perform drug utilization reviews. The penal institution shall submit to the
41 board for approval a written agreement between the pharmacist and the penal institution regarding
42 medication policies and procedures.

43 **SECTION 1680.** ORS 689.645 is amended to read:

44 689.645. (1) In accordance with rules adopted by the State Board of Pharmacy under ORS
45 689.205, a pharmacist may:

1 (a) Administer vaccines:

2 (A) To persons who are seven years of age or older; or

3 (B) If authorized by the Governor or the Director of the Oregon Department of Emergency
4 Management under ORS 433.441 or the Public Health Director under ORS 433.443 or 433.444, to a
5 person three years of age or older.

6 (b) Pursuant to a statewide drug therapy management protocol developed by the Public Health
7 and Pharmacy Formulary Advisory Committee convened under ORS 689.649 and adopted by rule of
8 the board, provide approved patient care services including smoking cessation therapy and travel
9 health services.

10 (c) Using a form prescribed by the board, submit a concept for the development of a protocol,
11 other than the protocols pharmacists may establish under subsection (5) of this section, to the
12 committee for consideration by the committee and recommendation to the board for adoption by rule
13 of the board.

14 (d) Prescribe and dispense a drug or device included on the formulary established under sub-
15 section (6) of this section if the prescription and dispensation is pursuant to a diagnosis by a health
16 care practitioner who has prescriptive authority and is qualified to make the diagnosis.

17 (2) The board may adopt rules allowing a pharmacist to prescribe vaccines, provide patient care
18 services and submit protocol concepts under subsection (1) of this section. The rules related to the
19 prescription of vaccines may be only as broad as necessary to enable pharmacists to enroll and
20 participate in the Vaccines for Children Program administered by the Centers for Disease Control
21 and Prevention.

22 (3) The board is authorized to issue, to licensed pharmacists who have completed training ac-
23 credited by the Centers for Disease Control and Prevention, the Accreditation Council for Pharmacy
24 Education or a similar health authority or professional body, certificates of special competency in
25 the prescription and administration of vaccines.

26 (4) The board shall adopt rules relating to the reporting of the prescription and administration
27 of vaccines to a patient's primary health care provider and to the Oregon *[Health Authority]* **De-**
28 **partment of Health.**

29 (5) The board shall adopt rules requiring pharmacists to establish protocols for the prescription
30 and administration of vaccines and the provision of patient care services under subsection (1) of this
31 section.

32 (6)(a) The board shall establish by rule a formulary of drugs and devices, as recommended by
33 the committee, that a pharmacist may prescribe and dispense to a patient pursuant to a diagnosis
34 by a health care practitioner who has prescriptive authority and who is qualified to make the di-
35 agnosis.

36 (b) The formulary may include post-diagnostic drugs and devices such as diabetic testing sup-
37 plies, emergency refills of insulin, albuterol inhalers, epinephrine autoinjectors, smoking cessation
38 aids, discharge medications for transitions of care, rapid strep tests and spacers.

39 **SECTION 1681.** ORS 689.684 is amended to read:

40 689.684. (1) For purposes of this section, "social services agency" includes, but is not limited to,
41 homeless shelters and crisis centers.

42 (2) A person may administer to an individual naloxone that was not distributed to the person
43 if:

44 (a) The individual to whom the naloxone is being administered appears to be experiencing an
45 opiate overdose as defined in ORS 689.681; and

1 (b) The person who administers the naloxone is an employee of a social services agency or is
2 trained under rules adopted by the State Board of Education pursuant to ORS 339.869.

3 (3) For the purposes of protecting public health and safety, the Oregon [*Health Authority*] **De-**
4 **partment of Health** may adopt rules for the administration of naloxone by employees of a social
5 services agency under this section.

6 **SECTION 1682.** ORS 689.689 is amended to read:

7 689.689. (1) In accordance with rules adopted by the State Board of Pharmacy under ORS
8 689.205, a pharmacist may prescribe and administer injectable hormonal contraceptives and pre-
9 scribe and dispense self-administered hormonal contraceptives.

10 (2)(a) The board shall adopt rules to establish, in consultation with the Oregon Medical Board,
11 the Oregon State Board of Nursing and the Oregon [*Health Authority*] **Department of Health**, and
12 in consideration of guidelines established by the American College of Obstetricians and
13 Gynecologists or its successor organization, standard procedures for the prescribing of injectable
14 hormonal contraceptives and self-administered hormonal contraceptives by pharmacists.

15 (b) The rules adopted under this subsection must require a pharmacist to:

16 (A) Complete a training program approved by the State Board of Pharmacy that is related to
17 prescribing injectable hormonal contraceptives and self-administered hormonal contraceptives;

18 (B) Provide a self-screening risk assessment tool that the patient must use prior to the
19 pharmacist's prescribing the injectable hormonal contraceptive or self-administered hormonal
20 contraceptive;

21 (C) Refer the patient to the patient's primary care practitioner or women's health care practi-
22 tioner upon prescribing and administering the injectable hormonal contraceptive or prescribing and
23 dispensing the self-administered hormonal contraceptive;

24 (D) Provide the patient with a written record of the injectable hormonal contraceptive pre-
25 scribed and administered or the self-administered hormonal contraceptive prescribed and dispensed
26 and advise the patient to consult with a primary care practitioner or women's health care practi-
27 tioner; and

28 (E) Administer the injectable hormonal contraceptive or dispense the self-administered hormonal
29 contraceptive to the patient as soon as practicable after the pharmacist issues the prescription.

30 (c) The rules adopted under this subsection must prohibit a pharmacist from:

31 (A) Requiring a patient to schedule an appointment with the pharmacist for the prescribing or
32 administering of an injectable hormonal contraceptive or the prescribing or dispensing of a self-
33 administered hormonal contraceptive; and

34 (B) Prescribing and administering an injectable hormonal contraceptive or prescribing and dis-
35 pensing a self-administered hormonal contraceptive to a patient who does not have evidence of a
36 clinical visit for women's health within the three years immediately following the initial prescription
37 and administration of an injectable hormonal contraceptive or the initial prescription and dispensa-
38 tion of a self-administered hormonal contraceptive by a pharmacist to the patient.

39 (3) All state and federal laws governing insurance coverage of contraceptive drugs, devices,
40 products and services apply to injectable hormonal contraceptives and self-administered hormonal
41 contraceptives prescribed by a pharmacist under this section.

42 **SECTION 1683.** ORS 690.055 is amended to read:

43 690.055. (1) To be issued a license to operate a facility, each applicant shall:

44 (a) Be 18 years of age or older, if the applicant is a natural person.

45 (b) Comply with the rules of the Board of Cosmetology concerning health, safety and infection

1 control.

2 (c) Comply with the applicable health and safety laws and rules of the Oregon [*Health*
3 *Authority*] **Department of Health** and any other state agencies.

4 (d) Pay the applicable fees established under ORS 676.576.

5 (e) If the applicant is an entity other than a natural person, be formed and operated in accord-
6 ance with Oregon law.

7 (2) To be issued a temporary facility permit, each applicant must:

8 (a) Operate the facility on a temporary basis for a period not to exceed 30 consecutive calendar
9 days and in accordance with rules of the board.

10 (b) Be 18 years of age or older, if the applicant is a natural person.

11 (c) Apply on forms prescribed by the Health Licensing Office prior to opening for business.

12 (d) Comply with the rules of the board concerning health, safety and infection control.

13 (e) Comply with the applicable health and safety laws and rules of the Oregon [*Health*
14 *Authority*] **Department of Health** and any other state agencies.

15 (f) Pay the applicable fees established under ORS 676.576.

16 (g) If the applicant is an entity other than a natural person, be formed and operated in accord-
17 ance with Oregon law.

18 (3) The office may adopt rules for the administration of this section.

19 (4) A license issued under this section shall confer on a facility owner the right to operate the
20 facility and to advertise the services for which the facility is licensed.

21 **SECTION 1684.** ORS 690.057 is amended to read:

22 690.057. (1) To be issued a registration to operate as an independent contractor, each applicant
23 shall:

24 (a) Be 18 years of age or older.

25 (b) Comply with the rules of the Board of Cosmetology concerning health, safety and infection
26 control.

27 (c) Comply with the applicable health and safety laws and rules of the Oregon [*Health*
28 *Authority*] **Department of Health** and any other state agencies.

29 (d) Pay the applicable fees established under ORS 676.576.

30 (e) Hold an active certificate in good standing.

31 (2) A registration shall confer the right to an independent contractor to advertise and directly
32 offer practitioner services to the public in a licensed facility or a facility operating under a tempo-
33 rary facility permit.

34 **SECTION 1685.** ORS 690.205 is amended to read:

35 690.205. (1) The Board of Cosmetology may adopt rules for the administration of ORS 345.440
36 and 690.005 to 690.225 and for prescribing safety and infection control requirements for facilities.
37 Infection control requirements for facilities shall be subject to the approval of the Oregon [*Health*
38 *Authority*] **Department of Health**. A copy of the rules adopted by the board shall be furnished by
39 the board to the owner or manager of each facility.

40 (2) Notwithstanding subsection (1) of this section, the board may not prohibit the use of the fa-
41 cility for domestic purposes if the part devoted to domestic purposes is in a completely separate
42 room not used by customers, with walls extending from floor to ceiling and with any connecting
43 doors kept closed while the facility is in actual operation.

44 (3) Rules adopted by the board prescribing safety and infection control requirements for facili-
45 ties shall be adopted in accordance with the procedures set forth in ORS chapter 183.

SECTION 1686. ORS 693.115 is amended to read:

693.115. (1) The State Plumbing Board is established in the Department of Consumer and Business Services, consisting of seven members appointed by the Governor. The appointment of a member of the board is subject to confirmation by the Senate pursuant to section 4, Article III of the Oregon Constitution.

(2) The members of the board shall be as follows:

(a) One journeyman plumber with 10 or more years' experience in the trade or calling of journeyman plumber;

(b) One licensed plumbing contractor;

(c) One local plumbing inspector who is a journeyman plumber;

(d) One registered professional mechanical engineer;

(e) One officer or employee of the Oregon [*Health Authority*] **Department of Health**;

(f) One plumbing equipment supplier who otherwise qualifies by experience in the industry or one building official; and

(g) One member of the general public.

(3) The term of office of each member is four years, but a member serves at the pleasure of the Governor. Before the expiration of the term of a member, the Governor shall appoint a successor. A member is not eligible for appointment to more than two full terms of office. If there is a vacancy for any cause, the Governor shall make an appointment to become immediately effective for the unexpired term.

(4) A member of the board shall receive compensation and expenses as provided in ORS 292.495.

SECTION 1687. ORS 701.505 is amended to read:

701.505. For the purposes of ORS 701.505 to 701.515:

(1) "Abatement" has the meaning given that term in P.L. 102-550, section 1004, 40 C.F.R. 745.223 and as further defined pursuant to the authorities described in ORS 431A.350.

(2) "Accredited training program" means a training program that has been accredited by the Oregon [*Health Authority*] **Department of Health** to provide training for individuals engaged in lead-based paint activities.

(3) "Certified lead-based paint renovation contractor" means a contractor that is licensed by the Construction Contractors Board to conduct lead-based paint renovation under ORS 701.515.

(4) "Inspection" has the meaning given that term in P.L. 102-550, section 1004, 40 C.F.R. 745.223 and as further defined pursuant to the authorities described in ORS 431A.350.

(5) "Lead-based paint" has the meaning given that term in P.L. 102-550, section 1004, and as further defined pursuant to the authorities described in ORS 431A.350.

(6) "Lead-based paint activities" has the meaning given that term in 40 C.F.R. 745.223 and as further defined pursuant to the authorities described in ORS 431A.350.

(7) "Lead-based paint activities contractor" means a contractor that is licensed by the Construction Contractors Board to conduct lead-based paint activities under ORS 701.515.

(8) "Renovation" has the meaning given that term in 40 C.F.R. 745.83 and as further defined pursuant to the authorities described in ORS 431A.350.

SECTION 1688. ORS 701.995 is amended to read:

701.995. (1) A person who violates any provision of, or any rule adopted under, ORS 701.505 to 701.515 shall pay to the Construction Contractors Board Lead-Based Paint Activities Fund established under ORS 701.520 a civil penalty of not more than \$5,000 for each violation.

(2) Civil penalties under this section shall be imposed as provided in ORS 183.745.

1 (3) A civil penalty imposed under this section is in addition to and not in lieu of any other
2 penalty or sanction provided by law.

3 (4) The board shall report all civil penalties or sanctions imposed under this section to each of
4 the following state agencies:

5 (a) The Oregon [*Health Authority*] **Department of Health**;

6 (b) The Occupational Safety and Health Division of the Department of Consumer and Business
7 Services; and

8 (c) The Department of Environmental Quality.

9 **SECTION 1689.** ORS 708A.430 is amended to read:

10 708A.430. (1) On the death of a depositor of an insured institution, if the deposit is \$25,000 or
11 less, the insured institution, after receiving an affidavit as provided in subsection (3) of this section
12 from a person that claims the deposit, or a declaration from the Department of Human Services or
13 the Oregon [*Health Authority*] **Department of Health** as provided in subsection (4) of this section,
14 may pay the moneys on deposit to the credit of the deceased depositor, in the following order of
15 priority, to:

16 (a) The surviving spouse at the surviving spouse's demand at any time after the depositor's
17 death;

18 (b) The Oregon [*Health Authority*] **Department of Health** or the Department of Human Ser-
19 vices, if [*the authority or the*] **either** department demands the payment not less than 46 days and no
20 more than 75 days after the death of the depositor if the depositor does not have a surviving spouse
21 and if [*the authority or*] **either** department has a preferred claim under ORS 411.708, 411.795 or
22 416.350;

23 (c) The depositor's surviving children 18 years of age or older, if the depositor does not have a
24 surviving spouse and the [*authority*] **Oregon Department of Health** and **Department of Human**
25 **Services** do not have a claim;

26 (d) The depositor's surviving parent, if the depositor does not have a surviving spouse or sur-
27 viving child 18 years of age or older and if the [*authority*] **Oregon Department of Health** and De-
28 partment **of Human Services** do not have a claim;

29 (e) The depositor's surviving brothers and sisters 18 years of age or older, if the depositor does
30 not have a surviving spouse, surviving child 18 years of age or older or surviving parent and the
31 [*authority*] **Oregon Department of Health** and **Department of Human Services** do not have a
32 claim; or

33 (f) Any other surviving heir of the depositor, if there is no surviving spouse, [*authority*] **Oregon**
34 **Department of Health** claim, **Department of Human Services** claim, surviving child 18 years of
35 age or older, surviving parent or surviving brothers or sisters 18 years of age or older.

36 (2)(a) An insured institution may not pay moneys on deposit under subsection (1)(c) to (f) of this
37 section earlier than 46 days after the death of the depositor.

38 (b) An insured institution may not pay moneys on deposit under subsection (1)(c) to (f) of this
39 section earlier than 76 days after the death of the depositor unless the financial institution obtains
40 prior verbal or written authorization from the Oregon [*Health Authority*] **Department of Health** or
41 its designated representative and the Department of Human Services or its designated represen-
42 tative.

43 (3) An affidavit or declaration submitted under this section must:

44 (a) State where and when the depositor died;

45 (b) State that the total deposits of the deceased depositor in all financial institutions in Oregon

1 do not exceed \$25,000;

2 (c) Show the relationship of the affiant or declarant to the deceased depositor; and

3 (d) Embody a promise to pay the expenses of last sickness, funeral expenses and just debts of
 4 the deceased depositor out of the deposit to the full extent of the deposit if necessary, in the order
 5 of priority prescribed by ORS 115.125, and to distribute any remaining moneys to the persons that
 6 are entitled to the moneys by law.

7 (4) An insured institution shall accept from the Department of Human Services or the Oregon
 8 *[Health Authority]* **Department of Health**, without additional requirements, a declaration under
 9 penalty of perjury meeting the requirements of subsection (3) of this section. A declaration submitted
 10 under this section must be signed by the declarant and must include the following sentence imme-
 11 diately above the signature line of the declarant: "I hereby declare under penalty of perjury that I
 12 am authorized by the Department of Human Services or the Oregon *[Health Authority]* **Department**
 13 **of Health** to make this declaration, that the above statement is true to the best of my knowledge
 14 and belief, and that I understand that it is subject to penalty for perjury."

15 (5) In the event the depositor died intestate without known heirs, an estate administrator of the
 16 State Treasurer appointed under ORS 113.235 is the affiant and shall receive the moneys for deposit
 17 into the Unclaimed Property and Estates Fund as escheated property and subject to claims under
 18 ORS 116.253.

19 (6) The insured institution shall determine the relationship of the affiant or declarant to the
 20 deceased depositor, but paying the moneys in good faith to the affiant or declarant discharges and
 21 releases the insured institution from any liability or responsibility for the transfer in the same
 22 manner and with the same effect as if the insured institution transferred, delivered or paid the
 23 moneys to a personal representative of the estate of the deceased depositor.

24 (7) A probate proceeding is not necessary to establish the right of the surviving spouse, Oregon
 25 *[Health Authority]* **Department of Health**, Department of Human Services, surviving child, surviv-
 26 ing parent, surviving brothers and sisters or an estate administrator of the State Treasurer to
 27 withdraw the deposits after filing the affidavit or declaration. If a personal representative is ap-
 28 pointed in an estate where a withdrawal of deposits was made under this section, the person that
 29 withdraws the deposits shall account for the deposits to the personal representative.

30 (8) If an insured institution transfers moneys under subsection (1) of this section, the insured
 31 institution may require the transferee to furnish the insured institution with a written indemnity
 32 agreement that indemnifies the insured institution against loss for moneys the insured institution
 33 transferred to the extent of the amount of the deposit.

34 (9)(a) Moneys disbursed to the Department of Human Services under subsection (1) of this sec-
 35 tion may be made payable only to the department.

36 (b) Moneys disbursed to the Oregon *[Health Authority]* **Department of Health** under subsection
 37 (1) of this section may be made payable only to the *[authority]* **department**.

38 (10) This section is subject to the rights of other parties in the account under ORS 708A.455 to
 39 708A.515.

40 **SECTION 1690.** ORS 723.466 is amended to read:

41 723.466. (1) On the death of a member of a credit union, if the deposit to the credit of the de-
 42 ceased member is \$25,000 or less, the credit union may, upon receipt of an affidavit from a person
 43 claiming the deposit as provided in subsection (3) of this section, or a declaration from the Depart-
 44 ment of Human Services or the Oregon *[Health Authority]* **Department of Health** as provided in
 45 subsection (4) of this section, pay the moneys on deposit:

1 (a) To the surviving spouse on demand of the surviving spouse at any time after the death of
2 the member;

3 (b) If there is no surviving spouse, to the Oregon [*Health Authority*] **Department of Health** or
4 the Department of Human Services, on demand of [*the authority or the*] **either** department no less
5 than 46 days and no more than 75 days after the death of the member when there is a preferred
6 claim arising under ORS 411.708, 411.795 or 416.350;

7 (c) If there is no surviving spouse and no [*authority*] **Oregon Department of Health claim** or
8 **Department of Human Services** claim, to the member's surviving children 18 years of age or older;

9 (d) If there is no surviving spouse, [*authority*] **Oregon Department of Health** claim, **Department**
10 **of Human Services** claim or surviving child 18 years of age or older, to the member's surviving
11 parents;

12 (e) If there is no surviving spouse, [*authority*] **Oregon Department of Health** claim, **Department**
13 **of Human Services** claim, surviving child 18 years of age or older or surviving parent, to the
14 member's surviving brothers and sisters 18 years of age or older; or

15 (f) If there is no surviving spouse, [*authority*] **Oregon Department of Health** claim, **Department**
16 **of Human Services** claim, surviving child 18 years of age or older, surviving parent or surviving
17 brothers or sisters 18 years of age or older, to any other surviving heir of the member.

18 (2)(a) A credit union may not pay moneys on deposit under subsection (1)(c) to (f) of this section
19 earlier than 46 days after the death of the member.

20 (b) A credit union may not pay moneys on deposit under subsection (1)(c) to (f) of this section
21 earlier than 76 days after the death of the member unless the financial institution obtains prior
22 verbal or written authorization from the Oregon [*Health Authority*] **Department of Health** or its
23 designated representative and the Department of Human Services or its designated representative.

24 (3) An affidavit or declaration submitted under this section must:

25 (a) State where and when the member died;

26 (b) State that the total deposits of the deceased member in all financial institutions in this state
27 do not exceed \$25,000;

28 (c) Show the relationship of the affiant or declarant to the deceased member; and

29 (d) Embody a promise to pay the expenses of last sickness, funeral expenses and just debts of
30 the deceased member out of the deposit, to the full extent of the deposit if necessary, in the order
31 of priority prescribed by ORS 115.125, and to distribute any remaining moneys to the persons who
32 are entitled to those moneys by law.

33 (4) A credit union shall accept from the Department of Human Services or the Oregon [*Health*
34 *Authority*] **Department of Health**, without additional requirements, a declaration under penalty of
35 perjury meeting the requirements of subsection (3) of this section. A declaration submitted under
36 this section must be signed by the declarant and must include the following sentence immediately
37 above the signature line of the declarant: "I hereby declare under penalty of perjury that I am au-
38 thorized by the Department of Human Services or the Oregon [*Health Authority*] **Department of**
39 **Health** to make this declaration, that the above statement is true to the best of my knowledge and
40 belief, and that I understand that it is subject to penalty for perjury."

41 (5) In the event the member died intestate without known heirs, an estate administrator of the
42 State Treasurer appointed under ORS 113.235 shall be the affiant and shall receive the moneys for
43 deposit into the Unclaimed Property and Estates Fund as escheated property and subject to claims
44 under ORS 116.253.

45 (6) The credit union shall determine the relationship of the affiant or declarant to the deceased

1 member. However, payment of the moneys in good faith to the affiant or declarant discharges and
 2 releases the transferor from any liability or responsibility for the transfer in the same manner and
 3 with the same effect as if the property had been transferred, delivered or paid to a personal repre-
 4 sentative of the estate of the deceased member.

5 (7) A probate proceeding is not necessary to establish the right of the surviving spouse, Oregon
 6 [Health Authority] **Department of Health**, Department of Human Services, surviving children, sur-
 7 viving parents, surviving brothers and sisters or an estate administrator of the State Treasurer to
 8 withdraw the deposits upon the filing of the affidavit or declaration. If a personal representative is
 9 appointed in an estate where a withdrawal of deposits was made under this section, the person
 10 withdrawing the deposits shall account for them to the personal representative.

11 (8) When a credit union transfers moneys under subsection (1) of this section, the transferor may
 12 require the transferee to furnish the transferor with a written indemnity agreement, indemnifying
 13 the transferor against loss for moneys paid to the extent of the amount of the deposit.

14 (9)(a) Moneys disbursed to the Department of Human Services under subsection (1) of this sec-
 15 tion may be made payable only to the department.

16 (b) Moneys disbursed to the Oregon [Health Authority] **Department of Health** under subsection
 17 (1) of this section may be made payable only to the [authority] **department**.

18 (10) This section is subject to the rights of other parties to the account under ORS 723.474 to
 19 723.498.

20 **SECTION 1691.** ORS 731.276 is amended to read:

21 731.276. The Director of the Department of Consumer and Business Services shall continuously
 22 review the Insurance Code and shall work with the Director of the Oregon [Health Authority] **De-**
 23 **partment of Health** to review the health insurance provisions of the Insurance Code and may, from
 24 time to time, make recommendations for changes therein.

25 **SECTION 1692.** ORS 735.520 is amended to read:

26 735.520. (1) As used in this section:

27 (a) "Eligible employer" means an operator of a facility that:

28 (A) Is a participating provider in the state medical assistance program;

29 (B) Elects to participate in the Oregon Essential Workforce Health Care Program; and

30 (C) Meets other requirements prescribed by the Oregon [Health Authority] **Department of**
 31 **Health** by rule.

32 (b) "Facility" includes:

33 (A) A long term care facility licensed under ORS 441.020;

34 (B) A residential facility as defined in ORS 443.400; and

35 (C) An in-home care agency licensed under ORS 443.315.

36 (2) The Oregon Essential Workforce Health Care Program is established in the Oregon [Health
 37 Authority] **Department of Health**. The [authority] **Oregon Department of Health**, in coordination
 38 with the Department of Human Services, shall provide supplemental payments, as approved by the
 39 Centers for Medicare and Medicaid Services, to eligible employers to be used by the eligible em-
 40 ployers to provide health care benefits to the employees of their facilities.

41 (3) To participate in the program, an eligible employer shall:

42 (a) Enter into a memorandum of understanding with the [authority] **Oregon Department of**
 43 **Health** that specifies how the supplemental payments will be used;

44 (b) Agree to participate in evidence-based workforce and quality of care improvements; and

45 (c) Annually report quality and other metrics.

1 (4) The [authority] **Oregon Department of Health**, in coordination with the Department of
2 **Human Services**, may adopt rules to carry out the provisions of this section.

3 **SECTION 1693.** ORS 735.534 is amended to read:

4 735.534. (1) As used in this section:

5 (a)(A) “Generally available for purchase” means a drug is available for purchase in this state
6 by a pharmacy from a national or regional wholesaler at the time a claim for reimbursement is
7 submitted by a network pharmacy.

8 (B) A drug is not “generally available for purchase” if the drug:

9 (i) May be dispensed only in a hospital or inpatient care facility;

10 (ii) Is unavailable due to a shortage of the product or an ingredient;

11 (iii) Is available to a pharmacy at a price that is at or below the maximum allowable cost only
12 if purchased in substantial quantities that are inconsistent with the business needs of a pharmacy;

13 (iv) Is sold at a discount due to a short expiration date on the drug; or

14 (v) Is the subject of an active or pending recall.

15 (b) “List” means the list of drugs for which maximum allowable costs have been established.

16 (c) “Maximum allowable cost” means the maximum amount that a pharmacy benefit manager
17 will reimburse a pharmacy for the cost of a drug.

18 (d) “Multiple source drug” means a therapeutically equivalent drug that is available from at
19 least two manufacturers.

20 (e) “Therapeutically equivalent” has the meaning given that term in ORS 689.515.

21 (2) A pharmacy benefit manager registered under ORS 735.532:

22 (a) May not place a drug on a list unless there are at least two multiple source drugs, or at least
23 one generic drug generally available for purchase.

24 (b) Shall ensure that all drugs on a list are generally available for purchase.

25 (c) Shall ensure that no drug on a list is obsolete.

26 (d) Shall make available to each network pharmacy at the beginning of the term of a contract,
27 and upon renewal of a contract, the specific authoritative industry sources, other than proprietary
28 sources, the pharmacy benefit manager uses to determine the maximum allowable cost set by the
29 pharmacy benefit manager.

30 (e) Shall make a list available to a network pharmacy upon request in a format that:

31 (A) Is electronic;

32 (B) Is computer accessible and searchable;

33 (C) Identifies all drugs for which maximum allowable costs have been established; and

34 (D) For each drug specifies:

35 (i) The national drug code; and

36 (ii) The maximum allowable cost.

37 (f) Shall update each list maintained by the pharmacy benefit manager every seven business days
38 and make the updated lists, including all changes in the price of drugs, available to network phar-
39 macies in the format described in paragraph (e) of this subsection.

40 (g) Shall ensure that dispensing fees are not included in the calculation of maximum allowable
41 cost.

42 (h) May not reimburse a 340B pharmacy differently than any other network pharmacy based on
43 its status as a 340B pharmacy.

44 (i) May not retroactively deny or reduce a claim for reimbursement of the cost of services after
45 the claim has been adjudicated by the pharmacy benefit manager unless the:

1 (A) Adjudicated claim was submitted fraudulently;

2 (B) Pharmacy benefit manager's payment on the adjudicated claim was incorrect because the
3 pharmacy or pharmacist had already been paid for the services;

4 (C) Services were improperly rendered by the pharmacy or pharmacist; or

5 (D) Pharmacy or pharmacist agrees to the denial or reduction prior to the pharmacy benefit
6 manager notifying the pharmacy or pharmacist that the claim has been denied or reduced.

7 (3) Subsection (2)(i) of this section may not be construed to limit pharmacy claim audits under
8 ORS 735.540 to 735.552.

9 (4) A pharmacy benefit manager must establish a process by which a network pharmacy may
10 appeal its reimbursement for a drug subject to maximum allowable cost pricing. A network phar-
11 macy may appeal a maximum allowable cost if the reimbursement for the drug is less than the net
12 amount that the network pharmacy paid to the supplier of the drug. The process must allow a net-
13 work pharmacy a period of no less than 60 days after a claim is reimbursed in which to file the
14 appeal. An appeal requested under this section must be completed within 30 calendar days of the
15 pharmacy making the claim for which appeal has been requested.

16 (5) A pharmacy benefit manager shall allow a network pharmacy to submit the documentation
17 in support of its appeal on paper or electronically and may not:

18 (a) Refuse to accept an appeal submitted by a person authorized to act on behalf of the network
19 pharmacy;

20 (b) Refuse to adjudicate an appeal for the reason that the appeal is submitted along with other
21 claims that are denied; or

22 (c) Impose requirements or establish procedures that have the effect of unduly obstructing or
23 delaying an appeal.

24 (6) A pharmacy benefit manager must provide as part of the appeals process established under
25 subsection (4) of this section:

26 (a) A telephone number at which a network pharmacy may contact the pharmacy benefit man-
27 ager and speak with an individual who is responsible for processing appeals;

28 (b) A final response to an appeal of a maximum allowable cost within seven business days; and

29 (c) If the appeal is denied, the reason for the denial and the national drug code of a drug that
30 may be purchased by similarly situated pharmacies at a price that is equal to or less than the
31 maximum allowable cost.

32 (7)(a) If an appeal is upheld under this section, the pharmacy benefit manager shall:

33 (A) Make an adjustment for the pharmacy that requested the appeal from the date of initial
34 adjudication forward; and

35 (B) Allow the pharmacy to reverse the claim and resubmit an adjusted claim without any addi-
36 tional charges.

37 (b) If the request for an adjustment has come from a critical access pharmacy, as defined by the
38 Oregon [Health Authority] **Department of Health** by rule for purposes related to the Oregon Pre-
39 scription Drug Program, the adjustment approved under paragraph (a) of this subsection shall apply
40 only to critical access pharmacies.

41 (8) This section does not apply to the state medical assistance program.

42 (9) The Department of Consumer and Business Services may adopt rules to carry out the pro-
43 visions of this section.

44 **SECTION 1694.** ORS 741.002 is amended to read:

45 741.002. (1) The duties of the Oregon [Health Authority] **Department of Health** include:

1 (a) Administering a health insurance exchange in accordance with federal law to make qualified
2 health plans available to individuals and groups throughout this state.

3 (b) Providing information in writing, through an Internet-based clearinghouse and through a
4 toll-free telephone line, that will assist individuals and small businesses in making informed health
5 insurance decisions and that may include:

6 (A) The rating assigned to each health plan and the rating criteria that were used;

7 (B) Quality and enrollee satisfaction survey results; and

8 (C) The comparative costs, benefits, provider networks of health plans and other useful infor-
9 mation.

10 (c) Establishing and maintaining an electronic calculator that allows individuals and employers
11 to determine the cost of coverage after deducting any applicable tax credits or cost-sharing re-
12 duction.

13 (d) Operating a call center dedicated to answering questions from individuals seeking enrollment
14 in a qualified health plan.

15 (2) The *[authority]* **department** shall:

16 (a) Screen, certify and recertify health plans as qualified health plans according to the require-
17 ments, standards and criteria adopted by the *[authority]* **department** under ORS 741.310 and ensure
18 that qualified health plans provide choices of coverage.

19 (b) Decertify or suspend, in accordance with ORS chapter 183, the certification of a health plan
20 that fails to meet federal and state standards in order to exclude the health plan from participation
21 in the exchange.

22 (c) Promote fair competition of carriers participating in the exchange by certifying multiple
23 health plans as qualified under ORS 741.310.

24 (d) Assign ratings to health plans in accordance with criteria established by the United States
25 Secretary of Health and Human Services and by the *[authority]* **department**.

26 (e) Establish open and special enrollment periods for all enrollees, and monthly enrollment pe-
27 riods for Native Americans that are consistent with federal law.

28 (f) Assist individuals and groups to enroll in qualified health plans, including defined contribu-
29 tion plans as defined in section 414 of the Internal Revenue Code and, if appropriate, collect and
30 remit premiums for such individuals or groups.

31 (g) Facilitate community-based assistance with enrollment in qualified health plans by awarding
32 grants to entities that are certified as navigators as described in 42 U.S.C. 18031(i).

33 (h) Provide employers with the names of employees who end coverage under a qualified health
34 plan during a plan year.

35 (i) Certify the eligibility of an individual for an exemption from the individual responsibility re-
36 quirement of section 5000A of the Internal Revenue Code.

37 (j) Provide information to the federal government necessary for individuals who are enrolled in
38 qualified health plans through the exchange to receive tax credits and reduced cost-sharing.

39 (k) Provide to the federal government any information necessary to comply with federal re-
40 quirements including:

41 (A) Information regarding individuals determined to be exempt from the individual responsibility
42 requirement of section 5000A of the Internal Revenue Code;

43 (B) Information regarding employees who have reported a change in employer; and

44 (C) Information regarding individuals who have ended coverage during a plan year.

45 (L) Take any other actions necessary and appropriate to comply with the federal requirements

1 for a health insurance exchange.

2 (m) Work in coordination with the Oregon Health Policy Board in carrying out its duties.

3 (3) The [authority] **department** may adopt rules necessary to carry out its duties and functions
4 under ORS 741.001 to 741.540.

5 (4) The [authority] **department** may contract or enter into an intergovernmental agreement with
6 the federal government to perform any of the duties and functions described in ORS 741.001 to
7 741.540.

8 **SECTION 1695.** ORS 741.003 is amended to read:

9 741.003. (1) The health insurance exchange is under the supervision of the Director of the
10 Oregon [Health Authority] **Department of Health**.

11 (2) The director has such powers as are necessary to carry out ORS 741.001 to 741.540.

12 (3) The director may employ, supervise and terminate the employment of such staff as the di-
13 rector deems necessary. The director shall prescribe their duties and fix their compensation. Em-
14 ployees administering the exchange may not be individuals who are:

15 (a) Employed by, consultants to or members of a board of directors of:

16 (A) An insurer or third party administrator;

17 (B) An insurance producer; or

18 (C) A health care provider, health care facility or health clinic;

19 (b) Members, board members or employees of a trade association of:

20 (A) Insurers or third party administrators; or

21 (B) Health care providers, health care facilities or health clinics; or

22 (c) Health care providers, unless they receive no compensation for rendering services as health
23 care providers and do not have ownership interests in professional health care practices.

24 **SECTION 1696.** ORS 741.004 is amended to read:

25 741.004. (1) The Health Insurance Exchange Advisory Committee is created to advise the Oregon
26 Health Policy Board in the development and implementation of the policies and operational proce-
27 dures governing the administration of a health insurance exchange in this state including, but not
28 limited to, all of the following:

29 (a) The amount of the assessment imposed on insurers under ORS 741.105.

30 (b) The implementation of a Small Business Health Options Program in accordance with 42
31 U.S.C. 18031.

32 (c) The processes and procedures to enable each insurance producer to be authorized to act for
33 all of the insurers offering qualified health plans through the health insurance exchange.

34 (d) The affordability of qualified health plans offered by employers under section 5000A(e)(1) of
35 the Internal Revenue Code.

36 (e) Outreach strategies for reaching minority and low-income communities.

37 (f) Solicitation of customer feedback.

38 (g) The affordability of health plans offered through the exchange.

39 (2) The committee consists of 15 members. Fourteen members shall be appointed by the Gover-
40 nor and are subject to confirmation by the Senate in the manner prescribed in ORS 171.562 and
41 171.565. The appointed members serve at the pleasure of the Governor. The Director of the Oregon
42 [Health Authority] **Department of Health** or the director's designee shall serve as an ex officio
43 member of the committee.

44 (3) The 14 members appointed by the Governor must represent the interests of:

45 (a) Insurers;

- 1 (b) Insurance producers;
- 2 (c) Navigators, in-person assisters, application counselors and other individuals with experience
3 in facilitating enrollment in qualified health plans;
- 4 (d) Health care providers;
- 5 (e) The business community, including small businesses and self-employed individuals;
- 6 (f) Consumer advocacy groups, including advocates for enrolling hard-to-reach populations;
- 7 (g) Enrollees in qualified health plans; and
- 8 (h) State agencies that administer the medical assistance program under ORS chapter 414.
- 9 (4) The Oregon Health Policy Board or the Director of the Oregon [*Health Authority*] **Depart-**
10 **ment of Health** may solicit recommendations from the committee and the committee may initiate
11 recommendations on its own.
- 12 (5) The committee may provide annual reports to the Legislative Assembly, in the manner pro-
13 vided in ORS 192.245, of the findings and recommendations the committee considers appropriate,
14 including but not limited to a report on the:
- 15 (a) Adequacy of assessments for reserve programs and administrative costs;
- 16 (b) Implementation of the Small Business Health Options Program;
- 17 (c) Number of qualified health plans offered through the exchange;
- 18 (d) Number and demographics of individuals enrolled in qualified health plans;
- 19 (e) Advance premium tax credits provided to enrollees in qualified health plans; and
- 20 (f) Feedback from the community about satisfaction with the operation of the exchange and
21 qualified health plans offered through the exchange.
- 22 (6) The members of the committee shall be appointed for a term fixed by the Governor, not to
23 exceed two years, and shall serve without compensation, but shall be entitled to travel expenses in
24 accordance with ORS 292.495. The committee may hire, subject to the approval of the director, such
25 experts as the committee may require to discharge its duties. All expenses of the committee shall
26 be paid out of the Health Insurance Exchange Fund established in ORS 741.102.
- 27 (7) The employees of the Oregon [*Health Authority*] **Department of Health** responsible for ad-
28 ministering the health insurance exchange are directed to assist the committee in the performance
29 of its duties under subsection (1) of this section and, to the extent permitted by laws relating to
30 confidentiality, to furnish such information and advice as the members of the committee consider
31 necessary to perform their duties under subsection (1) of this section.
- 32 **SECTION 1697.** ORS 741.008 is amended to read:
- 33 741.008. The Oregon [*Health Authority*] **Department of Health** shall conduct a state or nation-
34 wide criminal records check under ORS 181A.195 on, and for that purpose may require the finger-
35 prints of, a person who:
- 36 (1) Is employed by or applying for employment with the [*authority*] **department** in a position
37 related to the administration of the health insurance exchange; or
- 38 (2) Is, or will be, providing services to the [*authority*] **department** in a position related to the
39 administration of the health insurance exchange:
- 40 (a) In which the person is providing information technology services and has control over, or
41 access to, information technology systems that would allow the person to harm the information
42 technology systems or the information contained in the systems;
- 43 (b) In which the person has access to information that is confidential or for which state or fed-
44 eral laws, rules or regulations prohibit disclosure;
- 45 (c) That has payroll functions or in which the person has responsibility for receiving, receipting

1 or depositing money or negotiable instruments, for billing, collections or other financial transactions
 2 or for purchasing or selling property or has access to property held in trust or to private property
 3 in the temporary custody of the [authority] **department**;

4 (d) That has mailroom duties as a primary duty or job function;

5 (e) In which the person has responsibility for auditing the [authority] **department**;

6 (f) That has personnel or human resources functions as a primary responsibility;

7 (g) In which the person has access to Social Security numbers, dates of birth or criminal back-
 8 ground information; or

9 (h) In which the person has access to tax or financial information about individuals or business
 10 entities.

11 **SECTION 1698.** ORS 741.102 is amended to read:

12 741.102. The Health Insurance Exchange Fund is established in the State Treasury, separate and
 13 distinct from the General Fund. Interest earned by the Health Insurance Exchange Fund shall be
 14 credited to the fund. The Health Insurance Exchange Fund consists of moneys received by the
 15 Oregon [Health Authority] **Department of Health** under ORS 741.001 to 741.540. Moneys in the fund
 16 are continuously appropriated to the [authority] **department** for carrying out the purposes of ORS
 17 741.001 to 741.540.

18 **SECTION 1699.** ORS 741.105 is amended to read:

19 741.105. (1) The Oregon [Health Authority] **Department of Health** shall establish, by rule, an
 20 administrative charge. The [authority] **department** shall impose and collect the charge from all
 21 insurers participating in the health insurance exchange or offering a health plan certified by the
 22 [authority] **department** and state programs participating in the health insurance exchange. The
 23 Health Insurance Exchange Advisory Committee shall advise the [authority] **department** in estab-
 24 lishing the administrative charge. The charge must be in an amount sufficient to cover the costs
 25 of grants to navigators, in-person assisters and application counselors certified under ORS 741.002
 26 and to pay the administrative and operational expenses of the [authority] **department** in carrying
 27 out ORS 741.001 to 741.540. The charge shall be paid in a manner and at intervals prescribed by the
 28 [authority] **department**.

29 (2)(a) Each insurer's charge shall be based on the number of individuals, excluding individuals
 30 enrolled in state programs, who are enrolled in health plans:

31 (A) Offered by the insurer through the exchange; and

32 (B) Certified by the [authority] **department**.

33 (b) The charge to each state program shall be based on the number of individuals enrolled in
 34 state programs offered through the exchange.

35 (3) The charge imposed under this section may not exceed:

36 (a) Five percent of the premium or other monthly charge for each enrollee if the number of
 37 enrollees receiving coverage through the exchange is at or below 175,000;

38 (b) Four percent of the premium or other monthly charge for each enrollee if the number of
 39 enrollees receiving coverage through the exchange is above 175,000 and at or below 300,000; and

40 (c) Three percent of the premium or other monthly charge for each enrollee if the number of
 41 enrollees receiving coverage through the exchange is above 300,000.

42 (4)(a) If charges collected under subsection (1) of this section exceed the amounts needed for the
 43 administrative and operational expenses of the [authority] **department** in administering the health
 44 insurance exchange, the excess moneys collected may be held and used by the [authority] **depart-**
 45 **ment** to offset future net losses.

1 (b) The maximum amount of excess moneys that may be held under this subsection is the total
2 costs and expenses described in subsection (1) of this section anticipated by the [authority] **depart-**
3 **ment** for a six-month period. Any moneys received that exceed the maximum shall be applied by the
4 [authority] **department** to reduce the charges imposed by this section.

5 (5) Charges shall be based on annual statements and other reports submitted by insurers and
6 state programs as prescribed by the [authority] **department**.

7 (6) In addition to charges imposed under subsection (1) of this section, to the extent permitted
8 by federal law the [authority] **department** may impose a fee on insurers and state programs partic-
9 ipating in the exchange to cover the cost of commissions of insurance producers that are certified
10 by the [authority] **department** or by the United States Department of Health and Human Services
11 to facilitate the participation of individuals and employers in the exchange.

12 (7)(a) The [authority] **department** shall establish and amend the charges and fees under this
13 section in accordance with ORS 183.310 to 183.410.

14 (b) If the [authority] **department** intends to increase an administrative charge or fee, the notice
15 of intended action required by ORS 183.335 shall be sent, if the Legislative Assembly is not in ses-
16 sion, to the interim committees of the Legislative Assembly related to health, to the Joint Interim
17 Committee on Ways and Means and to each member of the Legislative Assembly. The Director of
18 the Oregon [Health Authority] **Department of Health** shall appear at the next meetings of the in-
19 terim committees of the Legislative Assembly related to health and the next meetings of the Joint
20 Interim Committee on Ways and Means that occur after the notice of intended action is sent and
21 fully explain the basis and rationale for the proposed increase in the administrative charges or fees.

22 (c) If the Legislative Assembly is in session, the [authority] **department** shall give the notice
23 of intended action to the committees of the Legislative Assembly related to health and to the Joint
24 Committee on Ways and Means and shall appear before the committees to fully explain the basis
25 and rationale for the proposed increase in administrative charges or fees.

26 (8) All charges and fees collected under this section shall be deposited in the Health Insurance
27 Exchange Fund.

28 **SECTION 1700.** ORS 741.107 is amended to read:

29 741.107. (1) As used in this section, "Small Business Health Options Program" has the meaning
30 given that term in ORS 741.300.

31 (2) If the Oregon [Health Authority] **Department of Health** submits a request to the Oregon
32 Department of Administrative Services to procure an information technology product or service for
33 creating an Internet portal for the Small Business Health Options Program and the anticipated cost
34 exceeds \$1 million:

35 (a) The [authority] **Oregon Department of Health** shall, if the Legislative Assembly is not in
36 session, notify the interim committees of the Legislative Assembly related to health, the Joint In-
37 terim Committee on Ways and Means and each member of the Legislative Assembly. The Director
38 of the Oregon [Health Authority] **Department of Health** shall appear at the next meetings of the
39 interim committees of the Legislative Assembly related to health and the next meetings of the Joint
40 Interim Committee on Ways and Means to fully explain the need for the product or service.

41 (b) If the Legislative Assembly is in session, the [authority] **department** shall notify the com-
42 mittees of the Legislative Assembly related to health and the Joint Committee on Ways and Means
43 and the director shall appear before the committees to fully explain the need for the product or
44 service.

45 **SECTION 1701.** ORS 741.220 is amended to read:

1 741.220. (1) The Oregon [*Health Authority*] **Department of Health** shall keep an accurate ac-
 2 counting of the operation and all activities, receipts and expenditures of the [*authority*] **department**
 3 with respect to the health insurance exchange.

4 (2) The Secretary of State shall conduct an annual financial audit of the [*authority's*]
 5 **department's** revenues and expenditures in carrying out ORS 741.001 to 741.540. The audit shall
 6 include but is not limited to:

7 (a) A review of the sources and uses of the moneys in the Health Insurance Exchange Fund;

8 (b) A review of charges and fees imposed and collected pursuant to ORS 741.105; and

9 (c) A review of premiums collected and remitted.

10 (3) Every two years, the Secretary of State shall conduct a performance audit of the exchange.

11 (4) The Director of the Oregon [*Health Authority*] **Department of Health** and employees of the
 12 [*authority*] **department** responsible for administering the health insurance exchange shall cooperate
 13 with the Secretary of State in the audits and reviews conducted under subsections (2) and (3) of this
 14 section.

15 (5) The audits shall be conducted using generally accepted accounting principles and any fi-
 16 nancial integrity requirements of federal authorities.

17 (6) The cost of the audits required by subsections (2) and (3) of this section shall be paid by the
 18 [*authority*] **department**.

19 (7) The Secretary of State shall issue a report to the Governor, the President of the Senate, the
 20 Speaker of the House of Representatives, the Oregon [*Health Authority*] **Department of Health**, the
 21 Oregon Health Policy Board and appropriate federal authorities on the results of each audit con-
 22 ducted pursuant to this section, including any recommendations for corrective actions. The report
 23 shall be available for public inspection, in accordance with the Secretary of State's established rules
 24 and procedures governing public disclosure of audit documents.

25 (8) To the extent the audit requirements under this section are similar to any audit requirements
 26 imposed on the [*authority*] **department** by federal authorities, the Secretary of State and the [*au-*
 27 *thority*] **department** shall make reasonable efforts to coordinate with the federal authorities to
 28 promote efficiency and the best use of resources in the timing and provision of information.

29 (9) Not later than the 90th day after the Secretary of State completes and delivers an audit re-
 30 port issued under subsection (7) of this section, the director shall notify the Secretary of State in
 31 writing of the corrective actions taken or to be taken, if any, in response to any recommendations
 32 in the report. The Secretary of State may extend the 90-day period for good cause.

33 **SECTION 1702.** ORS 741.222 is amended to read:

34 741.222. (1) The Director of the Oregon [*Health Authority*] **Department of Health** shall report
 35 to the Legislative Assembly each year on:

36 (a) The financial condition of the health insurance exchange, including actual and projected re-
 37 venues and expenses of the administrative operations of the exchange and commissions paid to in-
 38 surance producers out of fees collected under ORS 741.105 (6);

39 (b) The implementation of the Small Business Health Options Program;

40 (c) The development of the information technology system for the exchange; and

41 (d) Any other information requested by the leadership of the Legislative Assembly.

42 (2) The director shall provide to the Legislative Assembly, the Governor and the Oregon Health
 43 Policy Board, not later than April 15 of each year:

44 (a) A report covering the activities and operations of the [*authority*] **Oregon Department of**
 45 **Health** in administering the health insurance exchange during the previous year of operations;

1 (b) A statement of the financial condition, as of December 31 of the previous year, of the Health
 2 Insurance Exchange Fund; and

3 (c) Recommendations, if any, for additional groups to be eligible to purchase qualified health
 4 plans through the exchange under ORS 741.310.

5 **SECTION 1703.** ORS 741.300 is amended to read:

6 741.300. As used in ORS 741.001 to 741.540:

7 (1) “Coordinated care organization” has the meaning given that term in ORS 414.025.

8 (2) “Essential health benefits” has the meaning given that term in ORS 731.097.

9 (3) “Health benefit plan” has the meaning given that term in ORS 743B.005.

10 (4) “Health care service contractor” has the meaning given that term in ORS 750.005.

11 (5) “Health insurance” has the meaning given that term in ORS 731.162, excluding disability
 12 income insurance.

13 (6) “Health insurance exchange” or “exchange” means the division of the Oregon [*Health Au-*
 14 *thority*] **Department of Health** that operates an American Health Benefit Exchange as described
 15 in 42 U.S.C. 18031, 18032, 18033 and 18041.

16 (7) “Health plan” means a health benefit plan or dental only benefit plan offered by an insurer.

17 (8) “Insurer” means an insurer as defined in ORS 731.106 that offers health insurance, a health
 18 care service contractor, a prepaid managed care health services organization or a coordinated care
 19 organization.

20 (9) “Insurance producer” has the meaning given that term in ORS 731.104.

21 (10) “Prepaid managed care health services organization” has the meaning given that term in
 22 ORS 414.025.

23 (11) “State program” means a program providing medical assistance, as defined in ORS 414.025,
 24 and any self-insured health benefit plan or health plan offered to employees by the Public Employees’
 25 Benefit Board or the Oregon Educators Benefit Board.

26 (12) “Qualified health plan” means a health benefit plan certified by the [*authority*] **Oregon**
 27 **Department of Health** in accordance with the requirements, standards and criteria adopted by the
 28 [*authority*] **department** under ORS 741.310.

29 (13) “Small Business Health Options Program” or “SHOP” means a health insurance exchange
 30 for small employers as described in 42 U.S.C. 18031.

31 **SECTION 1704.** ORS 741.310 is amended to read:

32 741.310. (1)(a) Individuals and families may purchase qualified health plans through the health
 33 insurance exchange.

34 (b) The following groups may purchase qualified health plans through the Small Business Health
 35 Options Program:

36 (A) Small employers as defined in ORS 743B.005; and

37 (B) Districts and eligible employees of districts that are subject to ORS 243.886, unless their
 38 participation is precluded by federal law.

39 (2)(a) Only individuals who purchase qualified health plans through the exchange may be eligible
 40 to receive premium tax credits under section 36B of the Internal Revenue Code and reduced cost-
 41 sharing under 42 U.S.C. 18071.

42 (b) Only employers that purchase health plans through the SHOP may be eligible to receive
 43 small employer health insurance credits under section 45R of the Internal Revenue Code.

44 (3) Only an insurer that has a certificate of authority to transact insurance in this state and
 45 that meets applicable state and federal requirements for participating in the exchange may offer a

1 qualified health plan through the exchange. Any qualified health plan must be certified under ORS
 2 741.002. Coordinated care organizations that do not have a certificate of authority to transact in-
 3 surance may serve only medical assistance recipients through the exchange and may not offer
 4 qualified health plans.

5 (4)(a) The Oregon [*Health Authority*] **Department of Health** shall adopt by rule uniform re-
 6 quirements, standards and criteria for the certification of qualified health plans, including require-
 7 ments that a qualified health plan provide, at a minimum, essential health benefits and have
 8 acceptable consumer and provider satisfaction ratings.

9 (b) The [*authority*] **department** may limit the number of qualified health plans that may be of-
 10 fered through the exchange as long as the same limit applies to all insurers.

11 (5) The [*authority*] **department** shall certify as qualified a dental only health plan as permitted
 12 by federal law.

13 (6) The [*authority*] **department**, in collaboration with the Department of Human Services, shall
 14 coordinate the application and enrollment processes for the exchange and the state medical assist-
 15 ance program.

16 (7) The [*authority*] **Oregon Department of Health** may establish risk mediation programs
 17 within the exchange.

18 (8) The [*authority*] **department** shall establish by rule a process for certifying insurance pro-
 19 ducers to facilitate the transaction of insurance through the exchange, in accordance with federal
 20 standards and policies.

21 (9) The [*authority*] **department** is authorized to enter into contracts for the performance of the
 22 [*authority's*] **department's** duties, functions or operations with respect to the exchange, including
 23 but not limited to contracting with:

24 (a) Insurers that meet the requirements of subsections (3) and (4) of this section, to offer quali-
 25 fied health plans through the exchange; and

26 (b) Navigators, in-person assisters and application counselors certified by the [*authority*] **de-**
 27 **partment** under ORS 741.002.

28 (10)(a) The [*authority*] **department** shall consult with stakeholders, including but not limited to
 29 representatives of school administrators, school board members, school employees and the Oregon
 30 Educators Benefit Board, regarding the plans that may be offered through the exchange to districts
 31 and eligible employees of districts under subsection (1)(b)(B) of this section and the insurers that
 32 may offer the plans.

33 (b) The board and the [*authority*] **department** shall each adopt rules to ensure that:

34 (A) Any plan offered under subsection (1)(b)(B) of this section is underwritten by an insurer us-
 35 ing a single risk pool composed of all eligible employees who are enrolled or who will be enrolled
 36 in the plan both through the exchange and by the board; and

37 (B) In every plan offered under subsection (1)(b)(B) of this section, the coverage is comparable
 38 to plans offered by the board.

39 (11) The [*authority*] **department** is authorized to apply for and accept federal grants, other fed-
 40 eral funds and grants from nongovernmental organizations for purposes of developing, implementing
 41 and administering the exchange. Moneys received under this subsection shall be deposited in the
 42 Health Insurance Exchange Fund.

43 **SECTION 1705.** ORS 741.340 is amended to read:

44 741.340. The Oregon [*Health Authority*] **Department of Health**, in developing and offering the
 45 health benefit package required by ORS 413.011 (1)(j), may not establish policies or procedures that

1 discourage insurers from offering more comprehensive health benefit plans that provide greater
 2 consumer choice at a higher cost. The health benefit package approved by the Oregon Health Policy
 3 Board shall:

4 (1) Promote the provision of services through an integrated health home model that reduces
 5 unnecessary hospitalizations and emergency department visits.

6 (2) Require little or no cost sharing for evidence-based preventive care and services, such as
 7 care and services that have been shown to prevent acute exacerbations of disease symptoms in in-
 8 dividuals with chronic illnesses.

9 (3) Create incentives for individuals to actively participate in their own health care and to
 10 maintain or improve their health status.

11 (4) Require a greater contribution by an enrollee to the cost of elective or discretionary health
 12 services.

13 (5) Include a defined set of health care services that are affordable, financially sustainable and
 14 based upon the prioritized list of health services developed and updated by the Health Evidence
 15 Review Commission under ORS 414.690.

16 **SECTION 1706.** ORS 741.381 is amended to read:

17 741.381. The activities of insurers working under the direction of the Oregon [*Health*
 18 *Authority*] **Department of Health** and the Department of Consumer and Business Services pursuant
 19 to ORS 413.011 (1)(j) or participating in the health insurance exchange administered under ORS
 20 741.002 do not constitute a conspiracy or restraint of trade or an illegal monopoly, nor are they
 21 carried out for the purposes of lessening competition or fixing prices arbitrarily.

22 **SECTION 1707.** ORS 741.390 is amended to read:

23 741.390. A person may not file or cause to be filed with the Oregon [*Health Authority*] **Depart-**
 24 **ment of Health** any article, certificate, report, statement, application or any other information re-
 25 lated to the health insurance exchange required or permitted by the [*authority*] **department** to be
 26 filed, that is known by the person to be false or misleading in any material respect.

27 **SECTION 1708.** ORS 741.400 is amended to read:

28 741.400. (1) The Oregon [*Health Authority*] **Department of Health** may serve by regular mail
 29 or, if requested by the recipient, by electronic mail a notice described in ORS 183.415 of the
 30 [*authority's*] **department's** determination of:

31 (a) A person's eligibility to purchase or to continue to purchase a qualified health plan through
 32 the health insurance exchange;

33 (b) A person's eligibility for a premium tax credit for purchasing a qualified health plan or the
 34 amount of the person's premium tax credit; or

35 (c) A person's eligibility for cost-sharing reductions for qualified health plans and the amount
 36 of the person's cost-sharing reduction.

37 (2) The legal presumption described in ORS 40.135 (1)(q) does not apply to a notice that is served
 38 by regular or electronic mail in accordance with subsection (1) of this section.

39 (3) Except as provided in subsection (4) of this section, a contested case notice served in ac-
 40 cordance with subsection (1) of this section that complies with ORS 183.415 but for service by reg-
 41 ular or electronic mail becomes a final order against a party and is not subject to ORS 183.470 (2),
 42 upon the earlier of the following:

43 (a) If the party fails to request a hearing, the day after the date prescribed in the notice as the
 44 deadline for requesting a hearing.

45 (b) The date the [*authority*] **department** or the Office of Administrative Hearings mails an order

1 dismissing a hearing request because:

2 (A) The party withdraws the request for hearing; or

3 (B) Neither the party nor the party's representative appears on the date and at the time set for
4 hearing.

5 (4) The [authority] **department** shall prescribe by rule a period of not less than 60 days after
6 a notice becomes a final order under subsection (3) of this section within which a party may request
7 a hearing under this subsection. If a party requests a hearing within the period prescribed under
8 this subsection, the [authority] **department** shall do one of the following:

9 (a) If the [authority] **department** finds that the party did not receive the written notice and did
10 not have actual knowledge of the notice, refer the request for hearing to the Office of Administra-
11 tive Hearings for a contested case proceeding on the merits of the [authority's] **department's** in-
12 tended action described in the notice.

13 (b) Refer the request for hearing to the Office of Administrative Hearings for a contested case
14 proceeding to determine whether the party received the written notice or had actual knowledge of
15 the notice. The [authority] **department** must show that the party had actual knowledge of the notice
16 or that the [authority] **department** mailed the notice to the party's correct address or sent an
17 electronic notice to the party's correct electronic mail address.

18 (5) If a party informs the [authority] **department** that the party did not receive a notice served
19 by regular or electronic mail in accordance with subsection (1) of this section, the [authority] **de-**
20 **partment** shall advise the party of the right to request a hearing under subsection (4) of this sec-
21 tion.

22 **SECTION 1709.** ORS 741.500 is amended to read:

23 741.500. (1)(a) The Oregon [Health Authority] **Department of Health** shall adopt by rule the
24 information that must be documented in order for a person to qualify for:

25 (A) Qualified health plan coverage through the health insurance exchange;

26 (B) Premium tax credits; and

27 (C) Cost-sharing reductions.

28 (b) The documentation specified by the [authority] **department** under this subsection shall in-
29 clude but is not limited to documentation of:

30 (A) The identity of the person;

31 (B) The status of the person as a United States citizen, or lawfully admitted noncitizen, and a
32 resident of this state;

33 (C) Information concerning the income and resources of the person as necessary to establish the
34 person's financial eligibility for coverage, for premium tax credits and for cost-sharing reductions,
35 which may include income tax return information and a Social Security number; and

36 (D) Employer identification information and employer-sponsored health insurance coverage in-
37 formation applicable to the person.

38 (2) The [authority] **department** shall adopt by rule the information that must be documented in
39 order to determine whether the person is exempt from a requirement to purchase or be enrolled in
40 a health plan under section 5000A of the Internal Revenue Code or other federal law.

41 (3) The [authority] **department** shall implement systems that provide electronic access to, and
42 use, disclosure and validation of data needed to administer the exchange, to comply with federal
43 data access and data exchange requirements and to streamline and simplify exchange processes.

44 (4) Information and data that the [authority] **department** obtains under this section may be ex-
45 changed with other state or federal health insurance exchanges, with state or federal agencies and,

1 subject to ORS 741.510, for the purpose of carrying out exchange responsibilities, including but not
2 limited to:

3 (a) Establishing and verifying eligibility for:

4 (A) A state medical assistance program;

5 (B) The purchase of qualified health plans through the exchange; and

6 (C) Any other programs that are offered through the exchange;

7 (b) Establishing and verifying the amount of a person's federal tax credit, cost-sharing reduction
8 or premium assistance;

9 (c) Establishing and verifying eligibility for exemption from the requirement to purchase or be
10 enrolled in a health plan under section 5000A of the Internal Revenue Code or other federal law;

11 (d) Complying with other federal requirements; or

12 (e) Improving the operations of the exchange and for program analysis.

13 **SECTION 1710.** ORS 741.510 is amended to read:

14 741.510. (1) Except as provided in subsection (3) of this section, documents, materials or other
15 information that is in the possession or control of the Oregon [*Health Authority*] **Department of**
16 **Health** for the purpose of carrying out ORS 741.002, 741.310 and 741.500 or complying with federal
17 health insurance exchange requirements, and that is protected from disclosure by state or federal
18 law, remains confidential and is not subject to disclosure under ORS 192.311 to 192.478 or subject
19 to subpoena or discovery or admissible into evidence in any private civil action in which the [*au-*
20 *thority*] **department** is not a named party. The [*authority*] **department** may use confidential docu-
21 ments, materials or other information without further disclosure in order to carry out the duties
22 described in ORS 741.002, 741.310 and 741.500 or to take any legal or regulatory action authorized
23 by law.

24 (2) Documents, materials and other information to which subsection (1) of this section applies
25 is subject to the public officer privilege described in ORS 40.270.

26 (3) The Director of the Oregon [*Health Authority*] **Department of Health** may:

27 (a) Authorize the sharing of confidential documents, materials or other information that is sub-
28 ject to subsection (1) of this section within the [*authority*] **department** and subject to any conditions
29 on further disclosure, for the purpose of carrying out the duties and functions of the [*authority*]
30 **department** under ORS 741.002, 741.310 and 741.500 or complying with federal health insurance
31 exchange requirements.

32 (b) Authorize the sharing of confidential documents, materials or other information that is sub-
33 ject to subsection (1) of this section or that is otherwise confidential under ORS 192.345 or 192.355
34 with other state or federal health insurance exchanges or regulatory authorities, the Department
35 of Consumer and Business Services, the Department of Revenue, law enforcement agencies and fed-
36 eral authorities, if required or authorized by state or federal law and if the recipient agrees to
37 maintain the confidentiality of the documents, materials or other information.

38 (c) Receive documents, materials or other information, including documents, materials or other
39 information that is otherwise confidential, from other state or federal health insurance exchanges
40 or regulatory authorities, the Department of Consumer and Business Services, the Department of
41 Revenue, law enforcement agencies or federal authorities. The [*authority*] **Oregon Department of**
42 **Health** shall maintain the confidentiality requested by the sender of the documents, materials or
43 other information received under this section as necessary to comply with the laws of the jurisdic-
44 tion from which the documents, materials or other information was received and originated.

45 (4) The disclosure of documents, materials or other information to the [*authority*] **department**

1 under this section, or the sharing of documents, materials or other information as authorized in
2 subsection (3) of this section, does not waive any applicable privileges or claims of confidentiality
3 in the documents, materials or other information.

4 (5) This section does not prohibit the [authority] **department** from releasing to a database or
5 other clearinghouse service maintained by federal authorities a final, adjudicated order, including
6 a certification, recertification, suspension or decertification of a qualified health plan under ORS
7 741.002, if the order is otherwise subject to public disclosure.

8 **SECTION 1711.** ORS 741.520 is amended to read:

9 741.520. (1) The Director of the Oregon [Health Authority] **Department of Health** may enter
10 into agreements governing the sharing and use of information consistent with this section and ORS
11 741.510 with other state or federal health insurance exchanges or regulatory authorities, the De-
12 partment of Consumer and Business Services, the Department of Revenue, law enforcement agencies
13 or federal authorities.

14 (2) An agreement under this section must specify the duration of the agreement, the purpose of
15 the agreement, the methods that may be employed for terminating the agreement and any other
16 necessary and proper matters.

17 (3) An agreement under this section does not relieve the director of any obligation or responsi-
18 bility imposed by law.

19 (4) The director may expend funds and may supply services for the purpose of carrying out an
20 agreement under this section.

21 **SECTION 1712.** ORS 741.540 is amended to read:

22 741.540. (1) A complaint made to the Oregon [Health Authority] **Department of Health** or the
23 Department of Consumer and Business Services with respect to any prospective or certified qualified
24 health plan, and the record thereof, shall be confidential and may not be disclosed except as pro-
25 vided in ORS 741.510 and 741.520. No such complaint, or the record thereof, shall be used by [the
26 authority or the] **either** department in any action, suit or proceeding except in the investigation or
27 prosecution of apparent violations of ORS 741.310 or other law.

28 (2) Data gathered pursuant to an investigation of a complaint by [the authority or the] **either**
29 department shall be confidential, may not be disclosed except as provided in ORS 741.510 and
30 741.520 and may not be used in any action, suit or proceeding except in the investigation or prose-
31 cution of apparent violations of ORS 741.310 or other law.

32 (3) Notwithstanding subsections (1) and (2) of this section, [the authority and the] **each** depart-
33 ment shall establish a method for making available to the public an annual statistical report con-
34 taining the number, percentage, type and disposition of complaints received by [the authority and
35 the] **each** department against each health plan that is certified or that has been certified as a
36 qualified health plan by the [authority] **Oregon Department of Health**.

37 **SECTION 1713.** ORS 741.802 is amended to read:

38 741.802. The Oregon [Health Authority] **Department of Health** shall produce written materials
39 containing information for consumers about the requirements for paying the premiums for qualified
40 health plans. The [authority] **department** shall distribute the materials to health care providers
41 upon request.

42 **SECTION 1714.** ORS 741.900 is amended to read:

43 741.900. (1) The Director of the Oregon [Health Authority] **Department of Health**, in accord-
44 ance with ORS 183.745, may impose a civil penalty for a violation of ORS 741.390 of no more than
45 \$10,000.

1 (2) All penalties recovered under this section shall be deposited in the Health Insurance Ex-
2 change Fund.

3 **SECTION 1715.** ORS 743.029 is amended to read:

4 743.029. (1) The Department of Consumer and Business Services may adopt by rule uniform
5 standards applicable to persons listed in subsection (2) of this section for health care financial and
6 administrative transactions, including uniform standards for:

7 (a) Eligibility inquiry and response;

8 (b) Claim submission;

9 (c) Payment remittance advice;

10 (d) Claims payment or electronic funds transfer;

11 (e) Claims status inquiry and response;

12 (f) Claims attachments;

13 (g) Prior authorization;

14 (h) Provider credentialing; or

15 (i) Health care financial and administrative transactions identified by the stakeholder work
16 group described in ORS 743.031.

17 (2) Any uniform standards adopted under subsection (1) of this section apply to:

18 (a) Health insurers.

19 (b) Prepaid managed care health services organizations as defined in ORS 414.025.

20 (c) Coordinated care organizations as defined in ORS 414.025.

21 (d) Third party administrators.

22 (e) Any person or public body that either individually or jointly establishes a self-insurance plan,
23 program or contract, including but not limited to persons and public bodies that are otherwise ex-
24 empt from the Insurance Code under ORS 731.036.

25 (f) Health care clearinghouses or other entities that process or facilitate the processing of
26 health care financial and administrative transactions from a nonstandard format to a standard for-
27 mat.

28 (g) Any other person identified by the department that processes health care financial and ad-
29 ministrative transactions between a health care provider and an entity described in this subsection.

30 (3) In developing or updating any uniform standards adopted under subsection (1) of this section,
31 the department shall consider recommendations from the Oregon [*Health Authority*] **Department**
32 **of Health** under ORS 743.031.

33 **SECTION 1716.** ORS 743.031 is amended to read:

34 743.031. (1) The Oregon [*Health Authority*] **Department of Health** shall convene a stakeholder
35 work group to recommend uniform standards for health care financial and administrative trans-
36 actions, including, to the extent allowed by law, standards applicable to commercial health insur-
37 ance plans, self-funded plans and state governmental health plans and programs.

38 (2) The [*authority*] **Oregon Department of Health** shall report uniform standards recommended
39 under subsection (1) of this section to the Department of Consumer and Business Services for con-
40 sideration in the adoption of uniform standards by the Department **of Consumer and Business**
41 **Services** under ORS 743.029.

42 (3) The stakeholder work group, in recommending uniform standards under subsection (1) of this
43 section, shall consider or incorporate any applicable national standards for administrative simplifi-
44 cation and timelines for implementation of national standards for administrative simplification that
45 are established pursuant to federal law.

1 **SECTION 1717.** ORS 743.034 is amended to read:

2 743.034. (1) The Department of Consumer and Business Services and the Oregon [*Health Au-*
3 *thority*] **Department of Health** shall confer before the department finalizes rules implementing
4 uniform standards under ORS 743.029, for the purpose of reconciling any differences between [*the*
5 *department's and the authority's*] **each department's** requirements for health care financial and ad-
6 ministrative transactions described in ORS 743.029. If the Department of Consumer and Business
7 Services proposes to amend any rule concerning uniform standards for health care financial and
8 administrative transactions under ORS 743.029 or the [*authority*] **Oregon Department of Health**
9 proposes to amend any rule in a manner that would be inconsistent with the uniform standards, the
10 agency proposing to amend the rules shall notify the other agency. The agencies shall confer before
11 a final rule is adopted to ensure that the standards remain uniform and consistent to the extent
12 practicable.

13 (2) The Department of Human Services shall be subject to the uniform standards adopted by the
14 Department of Consumer and Business Services and the [*authority*] **Oregon Department of Health**
15 under ORS 743.029 that are applicable to the operations of the Department of Human Services.

16 **SECTION 1718.** ORS 743.035 is amended to read:

17 743.035. (1) The Department of Consumer and Business Services, in consultation with the Oregon
18 [*Health Authority*] **Department of Health**, shall develop by rule a form that providers in this state
19 shall use to request prior authorization for prescription drug benefits. The form must:

- 20 (a) Be uniform for all providers;
21 (b) Not exceed two pages;
22 (c) Be electronically available and transmissible; and
23 (d) Include a provision under which additional information may be requested and provided.

24 (2) If a person described in ORS 743.029 (2) requires prior authorization for prescription drug
25 benefits, the person must allow the use of the form developed under subsection (1) of this section.

26 (3) The Department **of Consumer and Business Services** may adopt rules to implement this
27 section.

28 **SECTION 1719.** ORS 743A.078, as amended by section 1, chapter 94, Oregon Laws 2022, is
29 amended to read:

30 743A.078. (1) As used in this section, "carrier," "enrollee" and "health benefit plan" have the
31 meanings given those terms in ORS 743B.005.

32 (2) A health benefit plan offered in this state must reimburse in full the cost to a provider of
33 delivering universal newborn nurse home visiting services, as prescribed by the Oregon [*Health*
34 *Authority*] **Department of Health** by rule under ORS 433.301 (7) and (8).

35 (3) The coverage must be provided without any cost-sharing, coinsurance or deductible applica-
36 ble to the services.

37 (4) Carriers must offer the services in their health benefit plans but enrollees are not required
38 to receive the services as a condition of coverage and may not be penalized or in any way discour-
39 aged from declining the services.

40 (5) A carrier must notify an enrollee about the services whenever an enrollee adds a newborn
41 to coverage.

42 (6) A carrier may use in-network providers or may contract with local public health authorities
43 to provide the services.

44 (7) Carriers shall report to the [*authority*] **department**, in the form and manner prescribed by
45 the [*authority*] **department**, data regarding claims submitted for services covered under this section

1 to monitor the provision of the services.

2 (8) This section is exempt from ORS 743A.001.

3 **SECTION 1720.** ORS 743A.168, as amended by section 8, chapter 629, Oregon Laws 2021, is
4 amended to read:

5 743A.168. (1) As used in this section:

6 (a) “Behavioral health assessment” means an evaluation by a provider, in person or using tele-
7 medicine, to determine a patient’s need for behavioral health treatment.

8 (b) “Behavioral health condition” has the meaning prescribed by rule by the Department of
9 Consumer and Business Services.

10 (c) “Behavioral health crisis” means a disruption in an insured’s mental or emotional stability
11 or functioning resulting in an urgent need for immediate outpatient treatment in an emergency de-
12 partment or admission to a hospital to prevent a serious deterioration in the insured’s mental or
13 physical health.

14 (d) “Facility” means a corporate or governmental entity or other provider of services for the
15 treatment of behavioral health conditions.

16 (e) “Generally accepted standards of care” means:

17 (A) Standards of care and clinical practice guidelines that:

18 (i) Are generally recognized by health care providers practicing in relevant clinical specialties;
19 and

20 (ii) Are based on valid, evidence-based sources; and

21 (B) Products and services that:

22 (i) Address the specific needs of a patient for the purpose of screening for, preventing, diagnos-
23 ing, managing or treating an illness, injury or condition or symptoms of an illness, injury or condi-
24 tion;

25 (ii) Are clinically appropriate in terms of type, frequency, extent, site and duration; and

26 (iii) Are not primarily for the economic benefit of an insurer or payer or for the convenience
27 of a patient, treating physician or other health care provider.

28 (f) “Group health insurer” means an insurer, a health maintenance organization or a health care
29 service contractor.

30 (g) “Median maximum allowable reimbursement rate” means the median of all maximum allow-
31 able reimbursement rates, minus incentive payments, paid for each billing code for each provider
32 type during a calendar year.

33 (h) “Prior authorization” has the meaning given that term in ORS 743B.001.

34 (i) “Program” means a particular type or level of service that is organizationally distinct within
35 a facility.

36 (j) “Provider” means:

37 (A) A behavioral health professional or medical professional licensed or certified in this state
38 who has met the credentialing requirement of a group health insurer or an issuer of an individual
39 health benefit plan that is not a grandfathered health plan as defined in ORS 743B.005 and is oth-
40 erwise eligible to receive reimbursement for coverage under the policy;

41 (B) A health care facility as defined in ORS 433.060;

42 (C) A residential facility as defined in ORS 430.010;

43 (D) A day or partial hospitalization program;

44 (E) An outpatient service as defined in ORS 430.010; or

45 (F) A provider organization certified by the Oregon [*Health Authority*] **Department of Health**

1 under subsection (9) of this section.

2 (k) "Relevant clinical specialties" includes but is not limited to:

3 (A) Psychiatry;

4 (B) Psychology;

5 (C) Clinical sociology;

6 (D) Addiction medicine and counseling; and

7 (E) Behavioral health treatment.

8 (L) "Standards of care and clinical practice guidelines" includes but is not limited to:

9 (A) Patient placement criteria;

10 (B) Recommendations of agencies of the federal government; and

11 (C) Drug labeling approved by the United States Food and Drug Administration.

12 (m) "Utilization review" has the meaning given that term in ORS 743B.001.

13 (n) "Valid, evidence-based sources" includes but is not limited to:

14 (A) Peer-reviewed scientific studies and medical literature;

15 (B) Recommendations of nonprofit health care provider professional associations; and

16 (C) Specialty societies.

17 (2) A group health insurance policy or an individual health benefit plan that is not a grandfa-
18 thered health plan providing coverage for hospital or medical expenses, other than limited benefit
19 coverage, shall provide coverage for expenses arising from the diagnosis of behavioral health con-
20 ditions and medically necessary behavioral health treatment at the same level as, and subject to
21 limitations no more restrictive than, those imposed on coverage or reimbursement of expenses aris-
22 ing from treatment for other medical conditions. The following apply to coverage for behavioral
23 health treatment:

24 (a) The coverage may be made subject to provisions of the policy that apply to other benefits
25 under the policy, including but not limited to provisions relating to copayments, deductibles and
26 coinsurance. Copayments, deductibles and coinsurance for treatment in health care facilities or
27 residential facilities may not be greater than those under the policy for expenses of hospitalization
28 in the treatment of other medical conditions. Copayments, deductibles and coinsurance for outpa-
29 tient treatment may not be greater than those under the policy for expenses of outpatient treatment
30 of other medical conditions.

31 (b) The coverage of behavioral health treatment may not be made subject to treatment limita-
32 tions, limits on total payments for treatment, limits on duration of treatment or financial require-
33 ments unless similar limitations or requirements are imposed on coverage of other medical
34 conditions. The coverage of eligible expenses of behavioral health treatment may be limited to
35 treatment that is medically necessary as determined in accordance with this section and no more
36 stringently under the policy than for other medical conditions.

37 (c) The coverage of behavioral health treatment must include:

38 (A) A behavioral health assessment;

39 (B) No less than the level of services determined to be medically necessary in a behavioral
40 health assessment of the specific needs of a patient or in a patient's care plan:

41 (i) To effectively treat the patient's underlying behavioral health condition rather than the mere
42 amelioration of current symptoms such as suicidal ideation or psychosis; and

43 (ii) For care following a behavioral health crisis, to transition the patient to a lower level of
44 care;

45 (C) Treatment of co-occurring behavioral health conditions or medical conditions in a coordi-

1 nated manner;

2 (D) Treatment at the least intensive and least restrictive level of care that is safe and most ef-
3 fective and meets the needs of the insured's condition;

4 (E) A lower level or less intensive care only if it is comparably as safe and effective as treat-
5 ment at a higher level of service or intensity;

6 (F) Treatment to maintain functioning or prevent deterioration;

7 (G) Treatment for an appropriate duration based on the insured's particular needs;

8 (H) Treatment appropriate to the unique needs of children and adolescents;

9 (I) Treatment appropriate to the unique needs of older adults; and

10 (J) Coordinated care and case management as defined by the Department of Consumer and
11 Business Services by rule.

12 (d) The coverage of behavioral health treatment may not limit coverage for treatment of perva-
13 sive or chronic behavioral health conditions to short-term or acute behavioral health treatment at
14 any level of care or placement.

15 (e) A group health insurer or an issuer of an individual health benefit plan other than a grand-
16 fathered health plan shall have a network of providers of behavioral health treatment sufficient to
17 meet the standards described in ORS 743B.505. If there is no in-network provider qualified to timely
18 deliver, as defined by rule, medically necessary behavioral treatment to an insured in a geographic
19 area, the group health insurer or issuer of an individual health benefit plan shall provide coverage
20 of out-of-network medically necessary behavioral health treatment without any additional out-of-
21 pocket costs if provided by an available out-of-network provider that enters into an agreement with
22 the insurer to be reimbursed at in-network rates.

23 (f) A provider is eligible for reimbursement under this section if:

24 (A) The provider is approved or certified by the Oregon [*Health Authority*] **Department of**
25 **Health**;

26 (B) The provider is accredited for the particular level of care for which reimbursement is being
27 requested by the Joint Commission or the Commission on Accreditation of Rehabilitation Facilities;

28 (C) The patient is staying overnight at the facility and is involved in a structured program at
29 least eight hours per day, five days per week; or

30 (D) The provider is providing a covered benefit under the policy.

31 (g) A group health insurer or an issuer of an individual health benefit plan other than a grand-
32 fathered health plan must use the same methodology to set reimbursement rates paid to behavioral
33 health treatment providers that the group health insurer or issuer of an individual health benefit
34 plan uses to set reimbursement rates for medical and surgical treatment providers.

35 (h) A group health insurer or an issuer of an individual health benefit plan other than a
36 grandfathered health plan must update the methodology and rates for reimbursing behavioral health
37 treatment providers in a manner equivalent to the manner in which the group health insurer or
38 issuer of an individual health benefit plan updates the methodology and rates for reimbursing med-
39 ical and surgical treatment providers, unless otherwise required by federal law.

40 (i) A group health insurer or an issuer of an individual health benefit plan other than a grand-
41 fathered health plan that reimburses out-of-network providers for medical or surgical services must
42 reimburse out-of-network behavioral health treatment providers on the same terms and at a rate that
43 is in parity with the rate paid to medical or surgical treatment providers.

44 (j) Outpatient coverage of behavioral health treatment shall include follow-up in-home service
45 or outpatient services if clinically indicated under criteria and guidelines described in subsection (5)

1 of this section. The policy may limit coverage for in-home service to persons who are homebound
2 under the care of a physician only if clinically indicated under criteria and guidelines described in
3 subsection (5) of this section.

4 (k)(A) Subject to the patient or client confidentiality provisions of ORS 40.235 relating to phy-
5 sicians, ORS 40.240 relating to nurse practitioners, ORS 40.230 relating to psychologists, ORS 40.250
6 and 675.580 relating to licensed clinical social workers and ORS 40.262 relating to licensed profes-
7 sional counselors and licensed marriage and family therapists, a group health insurer or issuer of
8 an individual health benefit plan may provide for review for level of treatment of admissions and
9 continued stays for treatment in health facilities, residential facilities, day or partial hospitalization
10 programs and outpatient services by either staff of a group health insurer or issuer of an individual
11 health benefit plan or personnel under contract to the group health insurer or issuer of an individual
12 health benefit plan that is not a grandfathered health plan, or by a utilization review contractor,
13 who shall have the authority to certify for or deny level of payment.

14 (B) Review shall be made according to criteria made available to providers in advance upon
15 request.

16 (C) Review shall be performed by or under the direction of a physician licensed under ORS
17 677.100 to 677.228, a psychologist licensed by the Oregon Board of Psychology, a clinical social
18 worker licensed by the State Board of Licensed Social Workers or a professional counselor or mar-
19 riage and family therapist licensed by the Oregon Board of Licensed Professional Counselors and
20 Therapists, in accordance with standards of the National Committee for Quality Assurance or
21 Medicare review standards of the Centers for Medicare and Medicaid Services.

22 (D) Review may involve prior approval, concurrent review of the continuation of treatment,
23 post-treatment review or any combination of these. However, if prior approval is required, provision
24 shall be made to allow for payment of urgent or emergency admissions, subject to subsequent re-
25 view. If prior approval is not required, group health insurers and issuers of individual health benefit
26 plans that are not grandfathered health plans shall permit providers, policyholders or persons acting
27 on their behalf to make advance inquiries regarding the appropriateness of a particular admission
28 to a treatment program. Group health insurers and issuers of individual health benefit plans that
29 are not grandfathered health plans shall provide a timely response to such inquiries. Noncontracting
30 providers must cooperate with these procedures to the same extent as contracting providers to be
31 eligible for reimbursement.

32 (L) Health maintenance organizations may limit the receipt of covered services by enrollees to
33 services provided by or upon referral by providers contracting with the health maintenance organ-
34 ization. Health maintenance organizations and health care service contractors may create substan-
35 tive plan benefit and reimbursement differentials at the same level as, and subject to limitations no
36 more restrictive than, those imposed on coverage or reimbursement of expenses arising out of other
37 medical conditions and apply them to contracting and noncontracting providers.

38 (3) This section does not prohibit a group health insurer or issuer of an individual health benefit
39 plan that is not a grandfathered health plan from managing the provision of benefits through com-
40 mon methods, including but not limited to selectively contracted panels, health plan benefit differ-
41 ential designs, preadmission screening, prior authorization of services, utilization review or other
42 mechanisms designed to limit eligible expenses to those described in subsection (2)(b) of this section
43 provided such methods comply with the requirements of this section.

44 (4) The Legislative Assembly finds that health care cost containment is necessary and intends
45 to encourage health insurance plans designed to achieve cost containment by ensuring that re-

1 imbursement is limited to appropriate utilization under criteria incorporated into the insurance, ei-
2 ther directly or by reference, in accordance with this section.

3 (5)(a) Any medical necessity, utilization or other clinical review conducted for the diagnosis,
4 prevention or treatment of behavioral health conditions or relating to service intensity, level of care
5 placement, continued stay or discharge must be based solely on the following:

6 (A) The current generally accepted standards of care.

7 (B) For level of care placement decisions, the most recent version of the levels of care placement
8 criteria developed by the nonprofit professional association for the relevant clinical specialty.

9 (C) For medical necessity, utilization or other clinical review conducted for the diagnosis, pre-
10 vention or treatment of behavioral health conditions that does not involve level of care placement
11 decisions, other criteria and guidelines may be utilized if such criteria and guidelines are based on
12 the current generally accepted standards of care including valid, evidence-based sources and current
13 treatment criteria or practice guidelines developed by the nonprofit professional association for the
14 relevant clinical specialty. Such other criteria and guidelines must be made publicly available and
15 made available to insureds upon request to the extent permitted by copyright laws.

16 (b) This subsection does not prevent a group health insurer or an issuer of an individual health
17 benefit plan other than a grandfathered health plan from using criteria that:

18 (A) Are outside the scope of criteria and guidelines described in paragraph (a)(B) of this sub-
19 section, if the guidelines were developed in accordance with the current generally accepted stan-
20 dards of care; or

21 (B) Are based on advancements in technology of types of care that are not addressed in the most
22 recent versions of sources specified in paragraph (a)(B) of this subsection, if the guidelines were
23 developed in accordance with current generally accepted standards of care.

24 (c) For all level of care placement decisions, an insurer shall authorize placement at the level
25 of care consistent with the insured's score or assessment using the relevant level of care placement
26 criteria and guidelines as specified in paragraph (a)(B) of this subsection. If the level of care indi-
27 cated by the criteria and guidelines is not available, the insurer shall authorize the next higher level
28 of care. If there is disagreement about the appropriate level of care, the insurer shall provide to the
29 provider of the service the full details of the insurer's scoring or assessment using the relevant level
30 of care placement criteria and guidelines specified in paragraph (a)(B) of this subsection.

31 (6) To ensure the proper use of any criteria and guidelines described in subsection (5) of this
32 section, a group health insurer or an issuer of an individual health benefit plan shall provide, at no
33 cost:

34 (a) A formal education program, presented by nonprofit clinical specialty associations or other
35 entities authorized by the Department of **Consumer and Business Services**, to educate the
36 insurer's or the issuer's staff and any individuals described in subsection (2)(k) of this section who
37 conduct reviews.

38 (b) To stakeholders, including participating providers and insureds, the criteria and guidelines
39 described in subsection (5) of this section and any education or training materials or resources re-
40 garding the criteria and guidelines.

41 (7) This section does not prevent a group health insurer or issuer of an individual health benefit
42 plan that is not a grandfathered health plan from contracting with providers of health care services
43 to furnish services to policyholders or certificate holders according to ORS 743B.460 or 750.005,
44 subject to the following conditions:

45 (a) A group health insurer or issuer of an individual health benefit plan that is not a grandfa-

1 thered health plan is not required to contract with all providers that are eligible for reimbursement
2 under this section.

3 (b) An insurer or health care service contractor shall, subject to subsection (2) of this section,
4 pay benefits toward the covered charges of noncontracting providers of services for behavioral
5 health treatment. The insured shall, subject to subsection (2) of this section, have the right to use
6 the services of a noncontracting provider of behavioral health treatment, whether or not the be-
7 havioral health treatment is provided by contracting or noncontracting providers.

8 (8)(a) This section does not require coverage for:

9 (A) Educational or correctional services or sheltered living provided by a school or halfway
10 house;

11 (B) A long-term residential mental health program that lasts longer than 45 days unless clin-
12 ically indicated under criteria and guidelines described in subsection (5) of this section;

13 (C) Psychoanalysis or psychotherapy received as part of an educational or training program,
14 regardless of diagnosis or symptoms that may be present;

15 (D) A court-ordered sex offender treatment program; or

16 (E) Support groups.

17 (b) Notwithstanding paragraph (a)(A) of this subsection, an insured may receive covered outpa-
18 tient services under the terms of the insured's policy while the insured is living temporarily in a
19 sheltered living situation.

20 (9) The Oregon [*Health Authority*] **Department of Health** shall establish a process for the cer-
21 tification of an organization described in subsection (1)(j)(F) of this section that:

22 (a) Is not otherwise subject to licensing or certification by the [*authority*] **department**; and

23 (b) Does not contract with the [*authority*] **department**, a subcontractor of the [*authority*] **de-**
24 **partment** or a community mental health program.

25 (10) The Oregon [*Health Authority*] **Department of Health** shall adopt by rule standards for the
26 certification provided under subsection (9) of this section to ensure that a certified provider organ-
27 ization offers a distinct and specialized program for the treatment of mental or nervous conditions.

28 (11) The Oregon [*Health Authority*] **Department of Health** may adopt by rule an application fee
29 or a certification fee, or both, to be imposed on any provider organization that applies for certi-
30 fication under subsection (9) of this section. Any fees collected shall be paid into the Oregon [*Health*
31 *Authority*] **Department of Health** Fund established in ORS 413.101 and shall be used only for car-
32 rying out the provisions of subsection (9) of this section.

33 (12) The intent of the Legislative Assembly in adopting this section is to reserve benefits for
34 different types of care to encourage cost effective care and to ensure continuing access to levels
35 of care most appropriate for the insured's condition and progress in accordance with this section.
36 This section does not prohibit an insurer from requiring a provider organization certified by the
37 Oregon [*Health Authority*] **Department of Health** under subsection (9) of this section to meet the
38 insurer's credentialing requirements as a condition of entering into a contract.

39 (13) The Director of the Department of Consumer and Business Services and the Oregon [*Health*
40 *Authority*] **Department of Health**, after notice and hearing, may adopt reasonable rules not incon-
41 sistent with this section that are considered necessary for the proper administration of this section.
42 The director shall adopt rules making it a violation of this section for a group health insurer or
43 issuer of an individual health benefit plan other than a grandfathered health plan to require pro-
44 viders to bill using a specific billing code or to restrict the reimbursement paid for particular billing
45 codes other than on the basis of medical necessity.

1 (14) This section does not:

2 (a) Prohibit an insured from receiving behavioral health treatment from an out-of-network pro-
 3 vider or prevent an out-of-network behavioral health provider from billing the insured for any un-
 4 reimbursed cost of treatment.

5 (b) Prohibit the use of value-based payment methods, including global budgets or capitated,
 6 bundled, risk-based or other value-based payment methods.

7 (c) Require that any value-based payment method reimburse behavioral health services based
 8 on an equivalent fee-for-service rate.

9 **SECTION 1721.** ORS 743B.130 is amended to read:

10 743B.130. (1) In each individual or small group market, in which a carrier offers a health benefit
 11 plan through or outside of the health insurance exchange described in ORS 741.310, the carrier must
 12 offer to residents of this state bronze and silver plans meeting the requirements of subsection (2)
 13 of this section and, if offered through the health insurance exchange, certified by the Oregon [*Health*
 14 *Authority*] **Department of Health** as qualified health plans.

15 (2) The Department of **Consumer and Business Services** shall prescribe by rule, in accordance
 16 with federal requirements, the form, level of coverage and benefit design for the bronze and silver
 17 plans that must be offered under subsection (1) of this section.

18 (3) As used in this section, “health benefit plan” has the meaning given that term in ORS
 19 743B.005.

20 **SECTION 1722.** ORS 759.688 is amended to read:

21 759.688. (1) As used in this section, “the plan of assistance” means the plan of assistance es-
 22 tablished by the Public Utility Commission under section 6, chapter 290, Oregon Laws 1987.

23 (2) The Oregon Telephone Assistance Program Advisory Committee is established as an advisory
 24 committee to the commission for the purposes described in subsection (4) of this section.

25 (3) The committee consists of the following nine members appointed by the Governor:

26 (a) A person who represents the Public Utility Commission who is knowledgeable about tele-
 27 communications;

28 (b) A person who represents the Citizens’ Utility Board;

29 (c) A person who represents the Oregon [*Health Authority*] **Department of Health**;

30 (d) A person who represents telecommunications carriers, including cellular phone carriers;

31 (e) A person who represents coordinated care organizations, as defined in ORS 414.025;

32 (f) A person who represents individuals who are homeless;

33 (g) A person who represents individuals who are deaf, deaf-blind or hard of hearing;

34 (h) A person who is a low income customer who receives assistance under section 6, chapter
 35 290, Oregon Laws 1987; and

36 (i) A resident of this state with a background in marketing and outreach.

37 (4) The committee shall:

38 (a) Establish goals for participation by low income customers in the plan of assistance;

39 (b) Advise the commission on the eligibility process for participating in the plan of assistance;

40 (c) Advise the commission on the regulation of the plan of assistance, including:

41 (A) Advice on streamlining eligibility processes;

42 (B) Advice on improving handset activations;

43 (C) Advice on use of Social Security numbers and other identifying documents; and

44 (D) Advice on use of a comprehensive human services outreach approach to encourage partic-
 45 ipation in the plan of assistance;

1 (d) Review the participation rates in programs offered by other states that are similar to the
2 plan of assistance, particularly programs that have a higher participation rate than the plan of as-
3 sistance;

4 (e) Develop a strategic plan to increase the participation rate in the plan of assistance;

5 (f) Annually review the participation rate in the plan of assistance and any annual increase in
6 the participation rate in the plan of assistance; and

7 (g) Make recommendations as to the use of available funds for the following activities:

8 (A) Marketing and outreach;

9 (B) Developing partnerships with low income constituency groups; and

10 (C) Coordinating with state agencies that serve the low income customers eligible to participate
11 in the plan of assistance.

12 (5) A majority of the members of the committee constitutes a quorum for the transaction of
13 business.

14 (6) Official action by the committee requires the approval of a majority of the members of the
15 committee.

16 (7) The committee shall elect one of its members to serve as chairperson.

17 (8) The term of office of each member of the committee is four years, but a member serves at
18 the pleasure of the Governor. Before the expiration of the term of a member, the Governor shall
19 appoint a successor whose term begins on January 1 of the following year. A member is eligible for
20 reappointment. If there is a vacancy for any cause, the Governor shall make an appointment to be-
21 come immediately effective for the unexpired term.

22 (9) The committee shall meet at times and places specified by the call of the chairperson or of
23 a majority of the members of the committee.

24 (10) The committee shall adopt rules necessary for the operation of the committee.

25 (11) Members of the committee are not entitled to compensation, but may be reimbursed for
26 actual and necessary travel and other expenses incurred by them in the performance of their official
27 duties in the manner and amounts provided for in ORS 292.495. Claims for expenses shall be paid
28 out of funds appropriated to the commission for purposes of the committee.

29 (12) The commission shall provide staff support and perform other services for the committee
30 as is necessary for the effective operation of the committee.

31 **SECTION 1723.** ORS 802.250 is amended to read:

32 802.250. (1) An eligible public employee may request that any driver or vehicle record kept by
33 the Department of Transportation that contains or is required to contain the eligible employee's
34 residence address contain instead the address of the public agency employing the eligible employee.
35 A request under this section shall:

36 (a) Be in a form specified by the department that provides for verification of the eligible
37 employee's employment.

38 (b) Contain verification by the employing public agency of the eligible employee's employment
39 with the public agency.

40 (2) Upon receipt of a request and verification under subsection (1) of this section, the depart-
41 ment shall remove the eligible employee's residence address from its records, if necessary, and sub-
42 stitute therefor the address of the public agency employing the eligible employee. The department
43 shall indicate on the records that the address shown is an employment address. While the request
44 is in effect, the eligible employee may enter the address of the public agency employing the eligible
45 employee on any driver or vehicle form issued by the department that requires an address.

1 (3) A public agency that verifies an eligible employee's employment under subsection (1) of this
 2 section shall notify the department within 30 days if the eligible employee ceases to be employed
 3 by the public agency. The eligible employee shall notify the department of a change of address as
 4 provided in ORS 803.220 or 807.560.

5 (4) If an eligible employee is killed in the line of duty, a person who is a household member of
 6 the eligible employee may request that any driver or vehicle record kept by the department that
 7 contains or is required to contain the household member's residence address continue to contain the
 8 address of the public agency that employed the eligible employee for up to four years after the date
 9 of the death of the eligible employee. On or before the date on which the four-year period ends, the
 10 household member shall notify the department of a change of address as provided in ORS 803.220
 11 or 807.560. A request under this subsection shall be in a form specified by the department.

12 (5) As used in this section, "eligible employee" means:

13 (a) A member of the State Board of Parole and Post-Prison Supervision.

14 (b) The Director of the Department of Corrections and an employee of an institution defined in
 15 ORS 421.005 as Department of Corrections institutions, whose duties, as assigned by the super-
 16 intendent, include the custody of persons committed to the custody of or transferred to the institu-
 17 tion.

18 (c) A parole and probation officer employed by the Department of Corrections and an employee
 19 of the Department of Corrections Release Center whose duties, as assigned by the Chief of the Re-
 20 lease Center, include the custody of persons committed to the custody of or transferred to the Re-
 21 lease Center.

22 (d) A police officer appointed under ORS 276.021 or 276.023.

23 (e) An employee of the State Department of Agriculture who is classified as a brand inspector
 24 by the Director of Agriculture.

25 (f) An investigator of the Criminal Justice Division of the Department of Justice.

26 (g) A corrections officer as defined in ORS 181A.355.

27 (h) A federal officer. As used in this paragraph, "federal officer" means a special agent or law
 28 enforcement officer employed by:

29 (A) The Federal Bureau of Investigation;

30 (B) The United States Secret Service;

31 (C) The United States Citizenship and Immigration Services;

32 (D) The United States Marshals Service;

33 (E) The Drug Enforcement Administration;

34 (F) The United States Postal Service;

35 (G) The United States Customs and Border Protection;

36 (H) The United States General Services Administration;

37 (I) The United States Department of Agriculture;

38 (J) The Bureau of Alcohol, Tobacco, Firearms and Explosives;

39 (K) The Internal Revenue Service;

40 (L) The United States Department of the Interior; or

41 (M) Any federal agency if the person is empowered to effect an arrest with or without warrant
 42 for violations of the United States Code and is authorized to carry firearms in the performance of
 43 duty.

44 (i) An employee of the Department of Human Services or the Oregon [Health Authority] **De-**
 45 **partment of Health** whose duties include personal contact with clients or patients of the Depart-

1 ment of Human Services or the [authority] **Oregon Department of Health.**

2 (j) Any judge of a court of this state.

3 (k) An employee of the Oregon Youth Authority or of a county juvenile department whose duties
4 include personal contact with persons committed to the legal or physical custody of the authority
5 or of the county juvenile department.

6 (L) A district attorney, as defined in ORS 131.005, or deputy district attorney.

7 (m) An employee who provides educational services to persons who are clients or patients of the
8 Department of Human Services or the Oregon [Health Authority] **Department of Health**, who are
9 under the jurisdiction of the Psychiatric Security Review Board or who are under the custody or
10 supervision of the Department of Corrections, the State Board of Parole and Post-Prison Supervision,
11 a community corrections agency, the Oregon Youth Authority or a juvenile department. As used in
12 this paragraph, "employee who provides educational services" means a person who provides in-
13 struction, or services related to the instruction, of a subject usually taught in an elementary school,
14 a secondary school or a community college or who provides special education and related services
15 in other than a school setting and who works for:

16 (A) An education service district or a community college district; or

17 (B) A state officer, board, commission, bureau, department or division in the executive branch
18 of state government that provides educational services.

19 (n) An employee of the Oregon Liquor and Cannabis Commission who is:

20 (A) A regulatory specialist; or

21 (B) A regulatory manager.

22 (o) A police officer as defined in ORS 801.395.

23 (p) An employee whose duties include personal contact with criminal offenders and who is em-
24 ployed by a law enforcement unit, as defined in ORS 181A.355.

25 (q) A civil code enforcement officer, as defined in ORS 192.345.

26 (r) An assistant attorney general whose duties include the representation of the Department of
27 Human Services in child welfare matters.

28 **SECTION 1724.** ORS 805.285 is amended to read:

29 805.285. (1) Moneys from the surcharge imposed by ORS 805.283 must be transferred to the
30 Oregon [Health Authority] **Department of Health** Fund established by ORS 413.101 after deduction
31 of the cost of administration of the breast cancer awareness registration plate program, including
32 but not limited to the costs of collecting the breast cancer awareness registration plate surcharge
33 and transferring breast cancer awareness registration plates that are above the normal costs of is-
34 suing, renewing and transferring registration plates in the normal course of business of the De-
35 partment of Transportation.

36 (2) Moneys deposited under subsection (1) of this section are continuously appropriated to the
37 Oregon [Health Authority] **Department of Health** for activities under ORS 414.534 related to early
38 detection of breast and cervical cancers as part of the Oregon Breast and Cervical Cancer Program.

39 **SECTION 1725.** ORS 807.720 is amended to read:

40 807.720. On or before the 15th day of each month, the Director of the Oregon [Health
41 Authority] **Department of Health** shall forward to the Department of Transportation a copy of the
42 death record of any persons within the jurisdiction of the Director of the Oregon [Health
43 Authority] **Department of Health** who died from a motor vehicle accident during the preceding
44 calendar month.

45 **SECTION 1726.** ORS 809.235 is amended to read:

1 809.235. (1)(a) Notwithstanding ORS 809.409 (2), the court shall order that a person's driving
 2 privileges be permanently revoked if the person is convicted of any degree of murder and the court
 3 finds that the person intentionally used a motor vehicle as a dangerous weapon resulting in the
 4 death of the victim, or if the person is convicted of aggravated vehicular homicide, manslaughter in
 5 the first or second degree resulting from the operation of a motor vehicle, criminally negligent
 6 homicide resulting from the operation of a motor vehicle or assault in the first degree resulting from
 7 the operation of a motor vehicle.

8 (b) The court shall order that a person's driving privileges be permanently revoked if the person
 9 is convicted of felony driving while under the influence of intoxicants in violation of ORS 813.010
 10 or if the person is convicted for a third or subsequent time of any of the following offenses in any
 11 combination:

12 (A) Driving while under the influence of intoxicants in violation of:

13 (i) ORS 813.010; or

14 (ii) The statutory counterpart to ORS 813.010 in another jurisdiction.

15 (B) A driving under the influence of intoxicants offense in another jurisdiction that involved the
 16 impaired driving of a vehicle due to the use of intoxicating liquor, cannabis, psilocybin, a controlled
 17 substance, an inhalant or any combination thereof.

18 (C) A driving offense in another jurisdiction that involved operating a vehicle while having a
 19 blood alcohol content above that jurisdiction's permissible blood alcohol content.

20 (c) For the purposes of paragraph (b) of this subsection, a conviction for a driving offense in
 21 another jurisdiction based solely on a person under 21 years of age having a blood alcohol content
 22 that is lower than the permissible blood alcohol content in that jurisdiction for a person 21 years
 23 of age or older does not constitute a prior conviction.

24 (2)(a) A person whose driving privileges are revoked as described in subsection (1) of this sec-
 25 tion may file a petition in the circuit court of the county in which the person's driving privileges
 26 were revoked for an order restoring the person's driving privileges. A petition may be filed under
 27 this subsection no sooner than 10 years after the person is:

28 (A) Released on parole or post-prison supervision for the crime for which the person's driving
 29 privileges were revoked and any other crimes arising out of the same criminal episode;

30 (B) Sentenced to probation for the crime for which the person's driving privileges were revoked,
 31 unless the probation is revoked, in which case the petition may be filed no sooner than 10 years
 32 after the date probation is revoked; or

33 (C) Sentenced for the crime for which the person's driving privileges were revoked, if no other
 34 provision of this paragraph applies.

35 (b) Notwithstanding paragraph (a) of this subsection, if during the revocation period for the
 36 crime for which the person was convicted the person is convicted of a criminal offense involving a
 37 motor vehicle, the person may file a petition to restore driving privileges as described in paragraph
 38 (a) of this subsection no sooner than 10 years from the date of the most recent conviction involving
 39 a motor vehicle.

40 (c) The district attorney of the county in which the person's driving privileges were revoked
 41 shall be named and served as the respondent in the petition.

42 (3) The court shall hold a hearing on a petition filed in accordance with subsection (2) of this
 43 section. In determining whether to grant the petition, the court shall consider:

44 (a) The nature of the offense for which driving privileges were revoked.

45 (b) The degree of violence involved in the offense.

1 (c) Other criminal and relevant noncriminal behavior of the petitioner both before and after the
2 conviction that resulted in the revocation.

3 (d) The recommendation of the person's parole officer, which shall be based in part on a psy-
4 chological evaluation ordered by the court to determine whether the person is presently a threat to
5 the safety of the public.

6 (e) Any other relevant factors.

7 (4) The court shall order a petitioner's driving privileges restored if, after a hearing described
8 in subsection (3) of this section, the court finds by clear and convincing evidence that the petitioner:

9 (a) Is rehabilitated;

10 (b) Does not pose a threat to the safety of the public; and

11 (c) If the sentence for the crime for which the petitioner's driving privileges were revoked re-
12 quired the petitioner to complete an alcohol or drug treatment program, has completed an alcohol
13 or drug treatment program in a facility approved by the Director of the Oregon [*Health Authority*]
14 **Department of Health** or a similar program in another jurisdiction.

15 (5) Upon receiving a court order to restore a person's driving privileges, the Department of
16 **Transportation** may reinstate driving privileges in accordance with ORS 809.390, except that the
17 department may not reinstate driving privileges of any person whose privileges are revoked under
18 this section until the person complies with future responsibility filings.

19 **SECTION 1727.** ORS 813.021 is amended to read:

20 813.021. (1) When a court, in accordance with ORS 813.020, requires a person to complete a
21 screening interview and a treatment program, the court shall require the person to do all of the
22 following:

23 (a) Complete a screening interview for the purpose of determining appropriate placement of the
24 person in a program for treatment for alcoholism, drug dependency or dependency on inhalants.

25 (b) Pay directly to the agency or organization conducting the screening interview a fee of \$150.

26 (c) Complete the treatment program to which the person is referred.

27 (d) Pay for the treatment program to which the person is referred.

28 (2) The screening interview required by this section shall be conducted by an agency or organ-
29 ization designated by the court. The designated agency or organization must meet the standards set
30 by the Director of the Oregon [*Health Authority*] **Department of Health** to conduct the screening
31 interviews. Wherever possible a court shall designate agencies or organizations to perform the
32 screening interview that are separate from those that may be designated to carry out a treatment
33 program.

34 (3) An agency or organization doing a screening interview under this section may not refer a
35 person to a treatment program that has not been approved by the Director of the Oregon [*Health*
36 *Authority*] **Department of Health**.

37 (4) The agency or organization conducting a screening interview under this section shall moni-
38 tor the progress of the person referred to the agency or organization. The agency or organization
39 shall make a report to the referring court stating the person's successful completion or failure to
40 complete all or any part of the screening interview or of the treatment program to which the person
41 was referred by the agency or organization performing the screening interview. The report shall be
42 in a form determined by agreement between the court and the agency or organization providing the
43 screening interview.

44 **SECTION 1728.** ORS 813.025 is amended to read:

45 813.025. A court may designate a single agency or organization to perform the screening inter-

1 views and treatment programs described in ORS 813.021 and 813.260 (1) when the Director of the
2 Oregon [*Health Authority*] **Department of Health** certifies that:

3 (1) An agency or organization may accept such designations due to the lack of alternative
4 agencies or organizations in the service area; or

5 (2) An agency or organization has applied to and been authorized by the Oregon [*Health Au-*
6 *thority*] **Department of Health** to operate a demonstration project that combines screening inter-
7 views and treatment programs. The [*authority*] **Oregon Department of Health** shall by rule set
8 forth the conditions under which a demonstration project may be authorized.

9 **SECTION 1729.** ORS 813.260 is amended to read:

10 813.260. (1) Courts having jurisdiction over driving while under the influence of intoxicants of-
11 fenses shall designate agencies or organizations to perform the screening interview and treatment
12 required under driving while under the influence of intoxicants diversion agreements described in
13 ORS 813.200. The designated agencies or organizations must meet minimum standards established
14 pursuant to ORS 430.357 to perform the screening interview and treatment of problem drinking,
15 alcoholism and drug dependency and must be certified by the Director of the Oregon [*Health Au-*
16 *thority*] **Department of Health**. Wherever possible a court shall designate agencies or organizations
17 to perform the screening interview that are separate from those that may be designated to carry
18 out a program of treatment.

19 (2) Monitoring of a defendant's progress under a diversion agreement shall be the responsibility
20 of the agency or organization performing the screening interview. The agency or organization shall
21 make a report to the court stating the defendant's successful completion or failure to complete all
22 or any part of the treatment program specified by the screening interview. The form of the report
23 shall be determined by agreement between the court and the agency or organization performing the
24 screening interview. The court shall make the report of the agency or organization performing the
25 screening interview that is required by this subsection a part of the record of the case.

26 **SECTION 1730.** ORS 813.270 is amended to read:

27 813.270. The Intoxicated Driver Program Fund is created to consist of moneys placed in the fund
28 under ORS 813.030 and 813.240 or as otherwise provided by law and of gifts and grants made to the
29 fund for carrying out the purposes of the fund. The moneys in the fund may be used only for the
30 following purposes:

31 (1) To pay for providing treatment for individuals who enter diversion agreements under ORS
32 813.200 and who are found to be indigent. Payment for treatment under this subsection may include
33 treatment for problem drinking, alcoholism or drug dependency. Payment shall be made as provided
34 by the Director of the Oregon [*Health Authority*] **Department of Health** by rule to agencies or or-
35 ganizations providing treatment.

36 (2) To pay for evaluation as provided by law of programs used for diversion agreements.

37 (3) To pay the cost of administration of the fund by the Oregon [*Health Authority*] **Department**
38 **of Health**.

39 (4) To pay for materials, resources and training supplied by the [*authority*] **Oregon Department**
40 **of Health** to those persons, organizations or agencies performing the screening interviews or pro-
41 viding education or treatment to persons under diversion agreements.

42 (5) To pay for providing treatment programs required under ORS 813.020 and treatment or in-
43 formation programs required under ORS 471.432 for individuals who are found to be indigent.

44 (6) To pay for special services required to enable a person with a disability, or a person whose
45 proficiency in the use of English is limited because of the person's national origin, to participate in

1 treatment programs that are used for diversion agreements under ORS 813.200 or are required under
2 ORS 813.020. This subsection applies:

3 (a) Whether or not the person is indigent; and

4 (b) Only to special services required solely because of the person's disability or limited profi-
5 ciency in the use of English.

6 **SECTION 1731.** ORS 813.602 is amended to read:

7 813.602. (1) Subject to subsection (2) of this section, when a person is convicted of driving while
8 under the influence of intoxicants in violation of ORS 813.010 or of a municipal ordinance, the De-
9 partment of Transportation, in addition to any other requirement, shall require that the person have
10 installed and be using an approved ignition interlock device in any vehicle operated by the person:

11 (a) Before the person is eligible for a hardship permit. The requirement is a condition of the
12 hardship permit for the duration of the hardship permit.

13 (b) For a first conviction, for one year after the ending date of the suspension or revocation
14 caused by the conviction. Violation of the condition imposed under this paragraph is a Class A
15 traffic violation.

16 (c) For a second or subsequent conviction, for two years after the ending date of the suspension
17 or revocation caused by the conviction. Violation of the condition imposed under this paragraph is
18 a Class A traffic violation.

19 (2) When a person is convicted of a crime or multiple crimes as described in this subsection, the
20 department, in addition to any other requirement, shall require that the person have installed and
21 be using an approved ignition interlock device in any vehicle operated by the person for five years
22 after the ending date of the longest running suspension or revocation caused by any of the con-
23 victions. Violation of the condition imposed under this subsection is a Class A traffic violation. A
24 person is subject to this subsection when the person is convicted of:

25 (a) Driving while under the influence of intoxicants in violation of ORS 813.010 or of a municipal
26 ordinance and any of the following crimes as part of the same criminal episode:

27 (A) Any degree of murder.

28 (B) Manslaughter in the first or second degree.

29 (C) Criminally negligent homicide.

30 (D) Assault in the first degree.

31 (b) Aggravated vehicular homicide.

32 (c) Driving while under the influence of intoxicants in violation of ORS 813.010 or of a municipal
33 ordinance and the person's driving privileges are revoked under ORS 809.235 (1)(b) and later ordered
34 restored under ORS 809.235 (4).

35 (3)(a) Except as provided in paragraph (c) of this subsection, as a condition of a driving while
36 under the influence of intoxicants diversion agreement:

37 (A) The court shall require that an approved ignition interlock device be installed and used in
38 any vehicle operated by the person during the period of the agreement when the person has driving
39 privileges if:

40 (i) A chemical test of the person's breath or blood disclosed a blood alcohol content of 0.08
41 percent or more by weight of alcohol in the blood of the person as shown by chemical analysis of
42 the breath or blood;

43 (ii) The person refused to submit to a chemical test of the person's breath or blood; or

44 (iii) A chemical test of the person's breath, blood or urine disclosed a blood alcohol content of
45 more than 0.00 but less than 0.08 percent by weight of alcohol in the blood of the person as shown

1 by chemical analysis of the breath or blood and disclosed the presence of cannabis, psilocybin, a
 2 controlled substance or an inhalant.

3 (B) The court may require that an approved ignition interlock device be installed and used in
 4 any vehicle operated by the person during the period of the agreement when the person has driving
 5 privileges if the person submitted to a chemical test of the person's breath, blood or urine and the
 6 test disclosed a blood alcohol content below 0.08 percent by weight of alcohol in the blood of the
 7 person as shown by chemical analysis of the breath or blood.

8 (b) In addition to any action taken under ORS 813.255, violation of the condition imposed under
 9 this subsection is a Class A traffic violation.

10 (c) A court may exempt a person from the condition in a diversion agreement to have installed
 11 and be using an ignition interlock device if the court determines that the person meets the re-
 12 quirements for a medical exemption in accordance with rules adopted by the department under this
 13 section. A person granted a medical exemption under this paragraph shall carry proof of the medical
 14 exemption with the person while operating any vehicle.

15 (4) The department shall adopt rules permitting medical exemptions from the requirements of
 16 installation and use of an ignition interlock device under this section.

17 (5) When a person is required to install an ignition interlock device under subsection (2) of this
 18 section, the manufacturer's representative providing the device shall provide notice of any installa-
 19 tion or removal of the device or any tampering with the device to:

20 (a) The supervising court or to the court's designee, including but not limited to an agency or
 21 organization certified by the Oregon [Health Authority] **Department of Health** under ORS 813.025;

22 (b) The district attorney or the city prosecutor; and

23 (c) The Oregon State Police.

24 **SECTION 1732.** ORS 813.630 is amended to read:

25 813.630. (1) This section applies only to a person who has had an ignition interlock device in-
 26 stalled as a condition of a driving while under the influence of intoxicants diversion agreement un-
 27 der ORS 813.602 (3).

28 (2) After an ignition interlock device is installed, the manufacturer's representative that in-
 29 stalled the device shall notify:

30 (a) The court that required the device to be installed or the court's designee, including but not
 31 limited to an agency or organization certified by the Oregon [Health Authority] **Department of**
 32 **Health** under ORS 813.025; and

33 (b) The district attorney or city prosecutor.

34 (3) Notice of the installation must be given within seven business days of installing the ignition
 35 interlock device.

36 (4) Each time a manufacturer's representative has access to an ignition interlock device that the
 37 manufacturer's representative installed, the manufacturer's representative shall download all reports
 38 recorded on the device. If the manufacturer's representative downloads a negative report, the
 39 manufacturer's representative shall submit the negative report, in a form prescribed by rule by the
 40 **Department of Transportation**, to:

41 (a) The court that required the device to be installed or the court's designee, including but not
 42 limited to an agency or organization certified by the Oregon [Health Authority] **Department of**
 43 **Health** under ORS 813.025;

44 (b) The district attorney or city prosecutor; and

45 (c) The Department of State Police.

(5) The manufacturer's representative shall submit a negative report as provided in subsection (4) of this section within seven business days of downloading the report.

SECTION 1733. ORS 815.260 is amended to read:

815.260. (1) A person commits the offense of operation of a recreational vehicle with unsealed disposal system if:

(a) The person has the use, possession or control of any vehicle or structure constructed for movement on highways;

(b) The vehicle or structure is equipped with a plumbing, sink or toilet fixture; and

(c) The disposal system for the vehicle or structure is unsealed or uncapped while the vehicle or structure is in any way or place of whatever nature open to the use of the public.

(2) For purposes of this section, a way or place open to the use of the public includes, but is not limited to, highways, roads, streets, alleys, lanes, trails, beaches, parks and recreational use areas owned or operated by the state, a county or local municipality for use by the general public.

(3) This section does not apply to disposal systems being discharged into or connected with a sewage disposal system approved by the Oregon *[Health Authority]* **Department of Health**.

(4) The offense described in this section, operation of a recreational vehicle with unsealed disposal system, is a Class C traffic violation.

SECTION 1734. ORS 820.330 is amended to read:

820.330. (1) A person commits the offense of failure to make, maintain and make available ambulance records if the person violates any of the following:

(a) When an ambulance is used in an emergency situation the driver of the ambulance, within 24 hours after such use, shall cause to be made and must sign a record that complies with ORS 820.340.

(b) The owner of any ambulance shall cause any record required by this section to be preserved for not less than seven years.

(c) Upon demand of any district attorney, the custodian of any record required under this section shall make the record available to that district attorney for the purpose of investigating any alleged violation of ORS 820.320 by a driver of an ambulance.

(d) Upon demand of an authorized representative of the Oregon *[Health Authority]* **Department of Health**, the custodian of any record required under this section shall make the record available to the authorized representative who wishes to inspect the record for purposes of ascertaining identities of emergency medical services providers as defined in ORS 682.025.

(2) This section does not apply to any person or ambulance exempted by ORS 682.035 or 682.079 from regulation by the *[authority]* **Oregon Department of Health**.

(3) Authority of political subdivisions to regulate records of ambulances is limited under ORS 682.031.

(4) The offense described in this section, failure to make, maintain and make available ambulance records, is a Class B traffic violation.

SECTION 1735. ORS 820.360 is amended to read:

820.360. (1) A person commits the offense of illegal ambulance lighting equipment if the person drives or moves on any highway or owns and causes or knowingly permits to be driven or moved on any highway an ambulance that does not contain and is not at all times equipped with warning lights in proper condition and adjustment as required under ORS 820.350.

(2) This section does not apply to any person or ambulance exempted by ORS 682.035 or 682.079 from regulation by the Oregon *[Health Authority]* **Department of Health**.

1 (3) Authority of political subdivisions to regulate warning lights on ambulances is limited under
2 ORS 682.031.

3 (4) The offense described under this section, illegal ambulance lighting equipment, is a Class C
4 traffic violation.

5 **SECTION 1736.** ORS 820.380 is amended to read:

6 820.380. (1) A person commits the offense of illegal ambulance or emergency vehicle sirens if the
7 person drives or moves on any highway or owns and causes or knowingly permits to be driven or
8 moved on any highway an ambulance or emergency vehicle that does not contain and is not at all
9 times equipped with sirens or other audible signals in proper conditions and adjustment as required
10 under ORS 820.370.

11 (2) This section does not apply to any ambulance or person operating or owning an ambulance
12 if the ambulance or person is exempted by ORS 682.035 or 682.079 from regulation by the Oregon
13 [*Health Authority*] **Department of Health.**

14 (3) Authority of political subdivisions to regulate sirens and other audible signals is limited un-
15 der ORS 682.031.

16 (4) The offense described under this section, illegal ambulance or emergency vehicle sirens, is
17 a Class C traffic violation.

18 **SECTION 1737.** ORS 830.110 is amended to read:

19 830.110. In addition to the powers and duties otherwise provided in this chapter, the State Ma-
20 rine Board shall have the power and duty to:

21 (1) Make all rules necessary to carry out the provisions of this chapter. The rules shall be made
22 in accordance with ORS chapter 183.

23 (2) Devise a system of identifying numbers for boats, floating homes and boathouses. If an
24 agency of the federal government has an overall system of identification numbering for boats within
25 the United States, the system devised by the board shall conform with the federal system.

26 (3) Cooperate with state and federal agencies to promote uniformity of the laws relating to
27 boating and their enforcement.

28 (4) Make contracts necessary to carry out the provisions of ORS 830.060 to 830.140, 830.565 to
29 830.575, 830.630, 830.640 to 830.649, 830.700 to 830.715, 830.725, 830.730, 830.770, 830.780, 830.785,
30 830.795 to 830.820 and 830.830 to 830.870.

31 (5) Advise and assist county sheriffs and other peace officers in the enforcement of laws relating
32 to boating.

33 (6) Study, plan and recommend the development of boating facilities throughout the state which
34 will promote the safety and pleasure of the public through boating.

35 (7) Publicize the advantage of safe boating.

36 (8) Accept gifts and grants of property and money to be used to further the purposes of this
37 chapter.

38 (9) Exempt from any provisions of this chapter any class of boats if it determines that the safety
39 of persons and property will not be materially promoted by the applicability of those provisions to
40 the class of boats. The board may not exempt from numbering any class of boats unless:

41 (a) The board determines that the numbering will not materially aid in their identification; and

42 (b) The secretary of the department of the federal government under which the United States
43 Coast Guard is operating has exempted from numbering the same boats or classes of boats.

44 (10) Appoint and require the bonding of agents to issue a temporary permit to operate a boat.
45 In addition to the prescribed fees, the agents may charge a fee prescribed by the board for their

1 services in issuing the temporary permit. Every three years the board shall issue an order revising
2 the fee imposed under this subsection on January 1, based on changes in the Consumer Price Index
3 for All Urban Consumers, West Region (All Items), as published by the Bureau of Labor Statistics
4 of the United States Department of Labor. The board shall round the amount of the fee to the
5 nearest half-dollar. The revised fee takes effect on January 1 and applies for the following three
6 years.

7 (11) Publish and distribute to the interested public the boating laws of this state and resumes
8 or explanations of those laws.

9 (12) Publish and distribute forms for any application required under this chapter and require the
10 use of such forms.

11 (13) Make rules for the uniform navigational marking of the waters of this state. Such rules shall
12 not conflict with markings prescribed by the United States Coast Guard. No political subdivision
13 or person shall mark the waters of this state in any manner in conflict with the markings prescribed
14 by the board.

15 (14) Make rules regarding marine toilets and their use consistent with the prevention and con-
16 trol of pollution of the waters of this state and not in conflict with the rules of the Oregon [*Health*
17 *Authority*] **Department of Health** or the Environmental Quality Commission.

18 (15) Institute proceedings to enjoin unlawful obstructions injuring free navigation on the waters
19 of this state.

20 (16) Make rules regulating water ski course markers, ski jumps and other special use devices
21 placed in the waters of this state. Such rules may regulate the installation and use of the devices
22 and may require a permit.

23 (17) Adopt rules necessary to carry out and enforce the provisions of ORS 830.950 and 830.955.
24 The rules shall include but need not be limited to:

25 (a) The kinds of protective covering or physical barriers that are acceptable to be used between
26 a submersible polystyrene device and the water.

27 (b) Guidelines for the use of submersible polystyrene devices for the repair or maintenance of
28 existing docks or floats.

29 (18) Adopt rules providing for establishment of a Safe Boating Education Course to be made
30 available to courts and law enforcement agencies within this state for use as a sentencing option
31 for those individuals convicted of boating offenses. The board shall specify the content of the Safe
32 Boating Education Course and shall prescribe procedures for making the course available to local
33 courts and law enforcement agencies, including procedures for promptly notifying such courts
34 whether individuals required to enroll in the course have taken and successfully passed the course.
35 Such rules may provide for administration of the course through nonprofit organizations, such as the
36 United States Coast Guard Auxiliary, United States Power Squadrons or similar groups.

37 (19) For purposes of ORS 830.175, 830.180, 830.185, 830.187 and 830.195, in cooperation with the
38 State Aviation Board, regulate boats that are seaplanes as provided in ORS 830.605 and 835.200.

39 **SECTION 1738.** Section 3, chapter 9, Oregon Laws 2022, is amended to read:

40 **Sec. 3.** (1) As used in this section, "prohibited species" means a species that may not be im-
41 ported, possessed, sold, purchased, exchanged or transported in this state, as established by rule by
42 the State Fish and Wildlife Commission.

43 (2) The commission shall review and update the list of prohibited species as the commission
44 deems necessary to protect against significant risks to public health from zoonotic disease.

45 (3) If the Oregon [*Health Authority*] **Department of Health** identifies a wildlife species as pos-

1 ing a significant risk to public health from zoonotic disease:

2 (a) The [authority] **department** shall notify the commission of the risk as soon as practicable.

3 (b) After the notification, the commission shall review and update relevant rules related to
4 wildlife as necessary to protect the public from the risk, including by adding the species to the list
5 of prohibited species.

6 (4) In making decisions under this section, the commission:

7 (a) Shall use the best available science.

8 (b) Shall consult with the [authority] **Oregon Department of Health** and the State Department
9 of Agriculture.

10 (c) May consult with bona fide scientific or educational institutions, as defined in ORS 498.022,
11 and any other experts with relevant expertise.

12 (5) In addition to actions described in this section, the commission may take any lawful action
13 the commission deems necessary to protect the public from a potential for transmission of zoonotic
14 disease.

15 (6) Notwithstanding subsection (5) of this section, this section does not authorize commission
16 action related to a species utilized in farm use, as defined in ORS 308A.056.

17 **SECTION 1739.** Section 2, chapter 11, Oregon Laws 2022, is amended to read:

18 **Sec. 2.** (1) At least once each biennium, the Oregon [Health Authority] **Department of Health**
19 shall conduct a nursing market study for the purpose of determining the appropriate Medicaid re-
20 imbursement rates for providers of private duty nursing for medically fragile children.

21 (2) No later than July 1 each year, the [authority] **department** shall seek approval from the
22 Centers for Medicare and Medicaid Services to adjust the Medicaid reimbursement rates for pro-
23 viders of private duty nursing for medically fragile children, taking into consideration the results
24 of the most recent study described in subsection (1) of this section and applying a cost-of-living ad-
25 justment, as determined on an annual basis by the [authority] **department** by rule.

26 (3) As used in this section:

27 (a) "Medically fragile children" means children who have a health impairment requiring inten-
28 sive, specialized services on a daily basis and who meet hospital level of care and the clinical cri-
29 teria as defined by the Department of Human Services and the [authority] **Oregon Department of**
30 **Health** by rule.

31 (b) "Private duty nursing" has the meaning given that term by the [authority] **Oregon Depart-**
32 **ment of Health** by rule.

33 **SECTION 1740.** Section 3, chapter 11, Oregon Laws 2022, is amended to read:

34 **Sec. 3.** The Oregon [Health Authority] **Department of Health** shall first seek the authority from
35 the Centers for Medicare and Medicaid Services to adjust the Medicaid reimbursement rates de-
36 scribed in section 2, **chapter 11, Oregon Laws 2022**, [of this 2022 Act] no later than July 1, 2023,
37 and every July 1 thereafter.

38 **SECTION 1741.** Section 1, chapter 29, Oregon Laws 2022, is amended to read:

39 **Sec. 1.** (1) It is the goal of the Legislative Assembly to:

40 (a) Develop a medical assistance program redetermination process that supports the Legislative
41 Assembly's goals of maintaining access to insurance coverage and reducing the rate of uninsurance
42 in this state;

43 (b) Provide up to 90 days for individuals to respond to requests for information necessary to
44 renew their coverage under the medical assistance program and, for individuals leaving the medical
45 assistance program, provide adequate time to transition to other health insurance coverage;

1 (c) Maximize health care coverage and maintain, to the maximum extent possible, enrollment in
2 the medical assistance program for as many eligible individuals as possible;

3 (d) Create new options for affordable health insurance coverage that allow for continuity of
4 coverage and care for the individuals who regularly enroll and disenroll in the medical assistance
5 program due to frequent fluctuations in income;

6 (e) Adopt processes and policies that maintain or improve the current reductions in uninsured
7 rates for priority populations; and

8 (f) Forestall termination of coverage under the medical assistance program for current medical
9 assistance program enrollees with incomes at or below 200 percent of the federal poverty guidelines
10 until the end of the phase out period, as defined in section 2, **chapter 29, Oregon Laws 2022**, [*of*
11 *this 2022 Act*,] contingent upon federal approval of and federal financial participation in the costs
12 of a program described in section 5, **chapter 29, Oregon Laws 2022** [*of this 2022 Act*].

13 (2) The Oregon [*Health Authority*] **Department of Health**, in consultation with the Department
14 of Human Services and the Department of Consumer and Business Services, shall seek federal ap-
15 provals to secure federal financial participation in the costs of program changes necessary to carry
16 out the goals described in this section within the [*authority's*] **Oregon Department of Health's**
17 legislatively approved budget.

18 **SECTION 1742.** Section 2, chapter 29, Oregon Laws 2022, is amended to read:

19 **Sec. 2.** (1) As used in this section, “phase out period” means the date by which the Centers for
20 Medicare and Medicaid Services requires that medical assistance program redeterminations be
21 completed for medical assistance program enrollees who were granted continuous enrollment due to
22 the federal public health emergency related to COVID-19.

23 (2) The Oregon [*Health Authority*] **Department of Health**, in consultation with the Department
24 of Human Services and the Department of Consumer and Business Services, shall develop a process
25 for conducting medical assistance program redeterminations following the end of the federal public
26 health emergency related to COVID-19. The process must ensure robust communications, outreach
27 and navigation assistance for medical assistance program enrollees during the redetermination pro-
28 cess.

29 (3) No later than May 31, 2022, the [*authority*] **Oregon Department of Health** shall submit a
30 report to the interim committees of the Legislative Assembly related to health, the subcommittee
31 of the Joint Interim Committee on Ways and Means related to human services, the President of the
32 Senate, the Speaker of the House of Representatives and the Legislative Fiscal Officer describing:

33 (a) The medical assistance program redetermination process;

34 (b) The operational timelines for processing the medical assistance program redeterminations;

35 (c) The risks to successfully implementing the medical assistance program redetermination pro-
36 cess; and

37 (d) How the [*authority*] **department** will use the [*authority's*] **department's** appropriations from
38 the Legislative Assembly to complete the redeterminations.

39 (4) The [*authority*] **Oregon Department of Health** may seek any necessary federal approval to
40 maximize federal financial participation in the costs of the medical assistance program redetermi-
41 nations and to ensure continuity of care for medical assistance program enrollees until the end of
42 the phase out period, within the constraints of the [*authority's*] **department's** legislatively approved
43 budget and federal resources.

44 (5) On or before March 1, 2023, the [*authority*] **Oregon Department of Health** shall report to
45 the interim committees of the Legislative Assembly related to health, the subcommittee of the Joint

1 Interim Committee on Ways and Means related to human services, the President of the Senate, the
2 Speaker of the House of Representatives and the Legislative Fiscal Officer:

3 (a) Any waivers or other approvals granted by the Centers for Medicare and Medicaid Services
4 pursuant to subsection (4) of this section;

5 (b) How the redetermination process has been implemented; and

6 (c) Any substantial changes to the timeline for the completion of the redetermination process.

7 (6) The *[authority]* **Oregon Department of Health** and the Department of Human Services shall
8 make the reports described in subsections (3) and (5) of this section and other information about the
9 redetermination process available on a publicly accessible website. The *[authority]* **Oregon De-**
10 **partment of Health** shall update the information on the website to show:

11 (a) The progress of the redetermination process; and

12 (b) Changes to the redetermination process or timelines that are imposed by the Centers for
13 Medicare and Medicaid Services.

14 (7) To minimize the risk of disruptions in coverage or care for high-risk populations or popu-
15 lations at risk of becoming uninsured, the *[authority]* **Oregon Department of Health** and the De-
16 partment of Consumer and Business Services may:

17 (a) Phase in the redeterminations by population; and

18 (b) Adjust timelines, for up to 90 days, to obtain eligibility information from medical assistance
19 program enrollees or to terminate coverage for enrollees, within the legislatively approved budget,
20 to allow for adequate outreach and enrollment assistance to enrollees losing coverage. The *[au-*
21 *thority]* **Oregon Department of Health** shall seek federal approval to maximize federal funding
22 during the extended timelines.

23 (8) Subject to subsection (9) of this section, the *[authority and the department]* **Oregon Depart-**
24 **ment of Health and the Department of Consumer and Business Services** may temporarily
25 waive the limits on disclosure of medical assistance program enrollee information under ORS
26 410.150, 411.320, 413.175 or 741.510 or any state laws that limit disclosure, to promote greater in-
27 formation sharing with community partners that are assisting individuals who are reapplying for or
28 seeking to maintain eligibility in the medical assistance program or who are in transition to cover-
29 age under the health insurance exchange, but only to the extent necessary to:

30 (a) Conduct outreach;

31 (b) Allow coordinated care organizations and insurers to conduct outreach and enrollment as-
32 sistance; and

33 (c) Gather and submit to *[the authority and the department]* **each department** updated contact
34 information.

35 (9) The *[authority and the department]* **Oregon Department of Health and the Department**
36 **of Consumer and Business Services** must ensure that appropriate consumer protections are con-
37 sidered before waiving any specific statutory requirements under subsection (8) of this section.

38 (10) The *[authority and the department]* **Oregon Department of Health and the Department**
39 **of Consumer and Business Services** may adopt rules or conduct emergency procurements neces-
40 sary to ensure rules and resources are in place when needed to implement the process for conduct-
41 ing medical assistance program redeterminations until the end of the phase out period.

42 **SECTION 1743.** Section 3, chapter 29, Oregon Laws 2022, is amended to read:

43 **Sec. 3.** (1) The Oregon *[Health Authority]* **Department of Health**, in collaboration with the
44 Department of Human Services and the Department of Consumer and Business Services, shall im-
45 mediately convene a community and partner work group to advise the *[authority and the]* depart-

1 ments on the development of outreach and enrollment assistance and communications strategies,
 2 within the [authority's] **Oregon Department of Health's** legislatively approved budget, to commu-
 3 nicate and assist medical assistance program enrollees in navigating the redetermination process
 4 and the enrollees' transition to coverage through the health insurance exchange.

5 (2) The work group must include representatives of impacted health systems, community part-
 6 ners, organized labor, medical assistance program enrollees, the Medicaid Advisory Committee and
 7 the Health Insurance Exchange Advisory Committee.

8 (3) The work group shall recommend:

9 (a) Strategies for obtaining and updating contact information for enrollees in the medical as-
 10 sistance program;

11 (b) Strategies for outreach and communication with enrollees in the medical assistance program,
 12 health care providers, community partners and other organizations;

13 (c) Strategies to maximize awareness of and utilization of navigational assistance for enrollees
 14 in the medical assistance program who will need to transition to other forms of coverage;

15 (d) Other strategies for conducting medical assistance program redeterminations to minimize the
 16 loss of enrollees' medical assistance program coverage; and

17 (e) Strategies to maximize the use of community-based organizations and other organizations
 18 that contract with the [authority] **department** to provide navigational assistance to medical assist-
 19 ance program enrollees.

20 (4) The [authority] **Oregon Department of Health** shall consult with and seek recommendations
 21 from the work group for additional changes to the medical assistance program redetermination
 22 process that may be done within the [authority's] **department's** legislatively approved budget, such
 23 as:

24 (a) Conducting ex parte, automatic or active eligibility renewals;

25 (b) Changes to streamline the process for requesting additional information from medical as-
 26 sistance program enrollees;

27 (c) Changes to the post-eligibility verification process to allow continuous enrollment while el-
 28 igibility is verified;

29 (d) Extending deadlines of up to 90 days for medical assistance program enrollees to respond to
 30 requests from the [authority] **department** to verify eligibility factors;

31 (e) Increasing the use of application assisters; and

32 (f) Phasing in renewals by population.

33 (5) The [authority] **Oregon Department of Health** shall incorporate the recommendations of the
 34 work group into the reports described in section 2 (3) and (5), **chapter 29, Oregon Laws 2023** [*of*
 35 *this 2022 Act*].

36 **SECTION 1744.** Section 4, chapter 29, Oregon Laws 2022, is amended to read:

37 **Sec. 4.** (1) A task force to create a bridge program is established.

38 (2) The task force shall consist of the following members:

39 (a) The President of the Senate shall appoint two nonvoting members from among members of
 40 the Senate.

41 (b) The Speaker of the House of Representatives shall appoint two nonvoting members from
 42 among members of the House of Representatives.

43 (c) The Governor shall appoint the following members:

44 (A) One member representing low-income workers who are likely to be eligible for the bridge
 45 program.

- 1 (B) Two members with expertise in health equity.
- 2 (C) One member with expertise in providing navigation assistance for health insurance consum-
3 ers.
- 4 (D) One member representing organized labor.
- 5 (E) One member representing an insurer that offers qualified health plans on the health insur-
6 ance exchange.
- 7 (F) One member representing a coordinated care organization.
- 8 (G) In addition to the members described in subparagraphs (H) and (I) of this paragraph, two
9 members representing health care providers, one of whom represents a hospital or health system.
- 10 (H) One member with expertise in behavioral health care.
- 11 (I) One member representing an oral health care provider that contracts with the [authority]
12 **Oregon Department of Health** to provide care to enrollees in the medical assistance program.
- 13 (J) A representative of the Medicaid Advisory Committee.
- 14 (K) A representative of the Health Insurance Exchange Advisory Committee.
- 15 (d) The chairperson of the Oregon Health Policy Board or the chairperson's designee.
- 16 (e) The Director of the Oregon [Health Authority] **Department of Health** or the director's
17 designee.
- 18 (f) The Director of Human Services or the director's designee.
- 19 (g) The Director of the Department of Consumer and Business Services or the director's
20 designee.
- 21 (3) The Governor shall select two of the nonvoting members of the task force to serve as
22 cochairpersons.
- 23 (4) The members of the task force must be appointed and have their first meeting no later than
24 March 31, 2022.
- 25 (5) The task force shall develop a proposal for a bridge program to provide affordable health
26 insurance coverage and improve the continuity of coverage for individuals who regularly enroll and
27 disenroll in the medical assistance program or other health care coverage due to frequent fluctu-
28 ations in income.
- 29 (6) The [authority] **Oregon Department of Health** and the Department of Consumer and Busi-
30 ness Services shall consult with Oregon Indian tribes during the deliberations of the task force and
31 incorporate tribal recommendations into the task force report and requests for federal approvals
32 under subsections (7) and (9) of this section.
- 33 (7)(a) Except as provided in paragraph (b) of this subsection, the task force must complete the
34 proposal for a bridge program and submit a report, no later than July 31, 2022, containing recom-
35 mendations and a request for additional funding, if necessary, to the interim committees of the
36 Legislative Assembly related to health, the subcommittee of the Joint Interim Committee on Ways
37 and Means related to human services, the President of the Senate, the Speaker of the House of
38 Representatives and the Legislative Fiscal Officer. The report must include recommendations on:
- 39 (A) The potential development of additional federal waivers; and
- 40 (B) Suggested timelines for phasing in the bridge program.
- 41 (b) If the federal public health emergency related to COVID-19 is extended beyond April 16,
42 2022, the task force has until September 1, 2022, to complete the proposal and submit a report.
- 43 (8) The recommendations and proposal for a bridge program must, within available federal re-
44 sources and the [authority's] **Oregon Department of Health's** legislatively approved budget:
- 45 (a) Prioritize health equity, reduction in the rate of uninsurance in this state and the promotion

1 of continuous health care coverage for communities that have faced health inequities.

2 (b) Be consistent with the Oregon Integrated and Coordinated Health Care Delivery System es-
3 tablished in ORS 414.570 and enhance the coordinated care organization delivery system.

4 (c) Ensure that the bridge program is available to all individuals residing in this state with in-
5 comes at or below 200 percent of the federal poverty guidelines who do not qualify for the medical
6 assistance program but who do qualify for advance premium tax credits, as defined in ORS 413.611.

7 (d) Maximize leveraging of federal funds and minimize costs to enrollees in the program and to
8 the state budget.

9 (e) Provide, at a minimum, all essential health benefits, as defined in ORS 731.097 and, to the
10 extent practicable, an option or options for dental coverage.

11 (f) To the extent practicable, include an option that has no cost-sharing, deductibles or other
12 out-of-pocket costs and an option that provides lesser cost-sharing, deductibles or other out-of-pocket
13 costs than qualified health plans on the health insurance exchange.

14 (g) Establish a capitation rate to be paid to providers that is sufficient to provide coverage,
15 within the [authority's] **Oregon Department of Health's** legislatively approved budget and avail-
16 able federal resources, but with reimbursement rates that are higher than the current medical as-
17 sistance program reimbursement rates, to the extent practicable.

18 (h) Offer health care coverage through coordinated care organizations and align procurements
19 for service providers on the same cycle as the procurements cycle for coordinated care organiza-
20 tions.

21 (i) Provide a transition period for eligible individuals to enroll in the bridge program.

22 (j) Take into account the health insurance exchange as an option for potential bridge program
23 participants if the participants choose to opt out of the bridge program.

24 (k) In addition to using coordinated care organizations to deliver the services in the bridge
25 program, include an option for offering the bridge program on the health insurance exchange if the
26 plans meet criteria established by the Oregon [Health Authority] **Department of Health** and the
27 Department of Consumer and Business Services, to the extent practicable within the [authority's]
28 **Oregon Department of Health's** legislatively approved budget and available federal resources.

29 (L) To the extent practicable, require coordinated care organizations to accept enrollees in the
30 bridge program or require the [authority] **Oregon Department of Health** to contract with a new
31 entity to accept bridge program enrollees.

32 (9)(a) The task force shall identify potential disruptions to the individual and small group mar-
33 kets by the bridge program and develop mitigation strategies to ensure market stability including
34 utilizing the Oregon Reinsurance Program or other mechanisms to limit disruptions in coverage.

35 (b) No later than December 31, 2022, the task force shall submit to the Legislative Assembly, in
36 the manner provided in ORS 192.245, recommendations to alleviate disruptions to health care cov-
37 erage for individuals and small employers in this state.

38 (10) A majority of the voting members of the task force constitutes a quorum for the transaction
39 of business.

40 (11) Official action by the task force requires the approval of a majority of the voting members
41 of the task force.

42 (12) If there is a vacancy for any cause, the appointing authority shall make an appointment to
43 become immediately effective.

44 (13) The task force shall meet at times and places specified by the call of the cochairpersons
45 or of a majority of the voting members of the task force.

1 (14) The task force may adopt rules necessary for the operation of the task force.

2 (15) The Director of the Legislative Policy and Research Office shall provide staff support to the
3 task force.

4 (16) Members of the Legislative Assembly appointed to the task force are nonvoting members
5 of the task force and may act in an advisory capacity only.

6 (17)(a) Members of the task force who are not members of the Legislative Assembly and who
7 have incomes at or below 400 percent of the federal poverty guidelines are entitled to compensation
8 for actual and necessary expenses incurred by the members in the performance of their official du-
9 ties, as provided in ORS 292.495.

10 (b) Members of the task force who are members of the Legislative Assembly are entitled to a
11 per diem as provided in ORS 171.072 (4).

12 (c) Members not described in paragraph (a) or (b) of this subsection are not entitled to com-
13 pensation or reimbursement for expenses and serve as volunteers on the task force.

14 (18) The *[authority and the department]* **Oregon Department of Health and the Department**
15 **of Consumer and Business Services** are directed to assist the task force in the performance of the
16 duties of the task force and, to the extent permitted by laws relating to confidentiality, to furnish
17 information and advice the members of the task force consider necessary to perform their duties.

18 **SECTION 1745.** Section 5, chapter 29, Oregon Laws 2022, is amended to read:

19 **Sec. 5.** (1) To secure federal financial participation in the costs of administering the bridge
20 program developed by the task force in accordance with section 4, **chapter 29, Oregon Laws 2022,**
21 *[of this 2022 Act]* and to achieve the goals of the Legislative Assembly described in section 1,
22 **chapter 29, Oregon Laws 2022,** *[of this 2022 Act]* to provide affordable health care coverage, im-
23 prove the continuity of coverage and care for Oregonians and reduce health inequities for individ-
24 uals who regularly enroll and disenroll in the medical assistance program due to fluctuations in
25 their incomes, the Oregon *[Health Authority]* **Department of Health**, in collaboration with the De-
26 partment of Consumer and Business Services and with the approval of the Oregon Health Policy
27 Board by a majority vote, shall request from the Centers for Medicare and Medicaid Services ap-
28 proval of:

29 (a) A demonstration project under 42 U.S.C. 1315;

30 (b) A basic health plan under 42 U.S.C. 18051;

31 (c) A waiver for state innovation under 42 U.S.C. 18052; or

32 (d) Any other federal approval needed to secure federal financial participation in the costs of
33 the bridge program.

34 (2) After receiving the necessary approval from the Centers for Medicare and Medicaid Services,
35 the *[authority]* **Oregon Department of Health** shall:

36 (a) Begin implementation of the bridge program; and

37 (b) At the next regular session of the Legislative Assembly, provide a report to the Legislative
38 Assembly, in the manner provided in ORS 192.245, containing:

39 (A) Details of the federal approval;

40 (B) A plan for implementation of the bridge program; and

41 (C) Recommended or needed, if any, legislative changes or budgetary actions.

42 **SECTION 1746.** Section 5, chapter 29, Oregon Laws 2022, as amended by section 9, chapter 29,
43 Oregon Laws 2022, is amended to read:

44 **Sec. 5.** The Oregon *[Health Authority]* **Department of Health** shall administer a bridge program
45 to provide affordable health care coverage, improve the continuity of coverage and care for

1 Oregonians and reduce health inequities for individuals who regularly enroll and disenroll in the
2 medical assistance program due to fluctuations in their incomes.

3 **SECTION 1747.** Section 6, chapter 29, Oregon Laws 2022, is amended to read:

4 **Sec. 6.** (1) While the request to the Centers for Medicare and Medicaid Services under section
5 5, **chapter 29, Oregon Laws 2022**, [of this 2022 Act] is pending, and if necessary to forestall the
6 termination of medical assistance for individuals with incomes at or below 200 percent of the federal
7 poverty guidelines who are no longer categorically eligible for medical assistance but are likely to
8 qualify for the bridge program under section 5, **chapter 29, Oregon Laws 2022** [of this 2022 Act],
9 the Oregon [Health Authority] **Department of Health** shall seek federal approval to create a tem-
10 porary medical assistance program category for such individuals with federal financial participation
11 paid in the same percentage as individuals described in 42 U.S.C. 1396a(a)(10)(A)(i)(VIII).

12 (2) Individuals enrolled in the temporary medical assistance program category may remain en-
13 rolled in the category until the earliest of:

14 (a) The end of the phase out period, as defined in section 2, **chapter 29, Oregon Laws 2022**
15 [of this 2022 Act], unless the Centers for Medicare and Medicaid Services permit their continued
16 enrollment; or

17 (b) The date on which the individuals are enrolled in the bridge program.

18 **SECTION 1748.** Section 7, chapter 29, Oregon Laws 2022, is amended to read:

19 **Sec. 7.** If the Centers for Medicare and Medicaid Services has not approved the request sub-
20 mitted by the Oregon [Health Authority] **Department of Health** under section 5, **chapter 29,**
21 **Oregon Laws 2022**, [of this 2022 Act] by the 60th day before the end of the phase out period, as
22 defined in section 2, **chapter 29, Oregon Laws 2022** [of this 2022 Act], if any, the [authority] **de-**
23 **partment** shall begin the process of disenrolling individuals from the medical assistance program
24 and the temporary medical assistance program category described in section 6, **chapter 29, Oregon**
25 **Laws 2022** [of this 2022 Act], unless the Centers for Medicare and Medicaid Services allows the
26 [authority] **department** to continue enrollment through to a later date.

27 **SECTION 1749.** Section 8, chapter 29, Oregon Laws 2022, is amended to read:

28 **Sec. 8.** The Bridge Plan Fund is established in the State Treasury, separate and distinct from
29 the General Fund, consisting of federal funds received by the Oregon [Health Authority] **Depart-**
30 **ment of Health** to administer the bridge program described in section 5, **chapter 29, Oregon Laws**
31 **2022** [of this 2022 Act]. Moneys in the Bridge Plan Fund are continuously appropriated to the Oregon
32 [Health Authority] **Department of Health** to carry out section 5, **chapter 29, Oregon Laws 2022**
33 [of this 2022 Act].

34 **SECTION 1750.** Section 3, chapter 30, Oregon Laws 2022, is amended to read:

35 **Sec. 3.** (1) The Oregon [Health Authority] **Department of Health** shall establish a program to
36 provide grants for planning, provider training and certification and general capacity to hospitals and
37 community-based organizations to develop hospital-based violence intervention programs in commu-
38 nities of need other than in Multnomah County to reduce and interrupt the chronic cycle of com-
39 munity violence.

40 (2) The [authority] **department** shall require a hospital or organization receiving a grant under
41 this section to demonstrate:

42 (a) A commitment to national best practices and standards of care; and

43 (b) An understanding of the hospital-based violence intervention model, the role of trusted
44 community messengers and a plan to certify violence prevention professionals.

45 (3) The [authority] **department** may adopt rules to implement this section.

1 **SECTION 1751.** Section 4, chapter 30, Oregon Laws 2022, is amended to read:

2 **Sec. 4.** (1) As used in this section:

3 (a) “Act of community violence” means an intentional act of interpersonal violence committed
4 in public by someone who is not the victim’s family member or intimate partner.

5 (b) “Certified violence prevention professional” means a person certified by a program approved
6 under subsection (2) of this section.

7 (c)(A) “Community violence prevention services” includes evidence-based, trauma-informed, sup-
8 portive and nonpsychotherapeutic services, offered in or out of a clinical setting.

9 (B) “Community violence prevention services” also includes but is not limited to peer support
10 or counseling, mentorship, conflict mediation, crisis intervention, targeted case management, refer-
11 rals to certified or licensed health care or social services providers, and patient education and
12 screening services, provided by a certified violence prevention professional to:

13 (i) Promote improved health outcomes and positive behavioral change;

14 (ii) Prevent injury recidivism; and

15 (iii) Reduce the likelihood that victims of acts of community violence will commit or promote
16 violence themselves.

17 (2) The Oregon [*Health Authority*] **Department of Health** shall approve at least one national
18 training and certification program for certified violence prevention professionals and shall establish
19 a process to approve community-based training programs. A program approved under this sub-
20 section must require at least 35 hours of initial training and six hours of continuing education every
21 two years and must address:

22 (a) The profound effects of trauma and violence and the basics of trauma-informed care;

23 (b) Community violence prevention strategies, including crisis intervention, de-escalation, con-
24 flict mediation and retaliation prevention;

25 (c) Case management and advocacy practices; and

26 (d) Patient privacy requirements under the federal Health Insurance Portability and Account-
27 ability Act privacy regulations, 45 C.F.R. parts 160 and 164.

28 (3) A person that employs or contracts with a certified violence prevention professional to pro-
29 vide community violence prevention services shall:

30 (a) Maintain documentation that the professional is certified by a program approved under sub-
31 section (2) of this section; and

32 (b) Ensure that the professional complies with applicable state or federal laws, regulations, rules
33 and standards of care.

34 (4) The [*authority*] **department** shall seek federal approval to secure federal financial partic-
35 ipation in the costs of providing medical assistance program coverage for community violence pre-
36 vention services for medical assistance program enrollees who:

37 (a) Have received medical treatment for an injury sustained from an act of community violence;
38 and

39 (b) Have been referred by a certified or licensed health care or social services provider to re-
40 ceive services from a certified violence prevention professional after the provider determined the
41 enrollee is at a higher risk of retaliation or a violent injury from another act of community violence.

42 (5) The [*authority*] **department** may adopt rules to implement this section.

43 (6) The [*authority*] **department** shall establish a technical advisory group to support implemen-
44 tation of this section. The group must include:

45 (a) Three members representing a community-based organization that currently supports a

1 hospital-based violence prevention program in Oregon;

2 (b) One member representing a national organization that provides technical assistance for
3 emerging hospital-based violence prevention programs;

4 (c) One member representing a hospital that currently operates a hospital-based violence pre-
5 vention program in Oregon;

6 (d) One member representing a hospital or hospitals in Oregon that do not currently operate a
7 hospital-based violence prevention program;

8 (e) One member of an Oregon-based academic institution with knowledge of hospital-based vi-
9 olence prevention programs;

10 (f) Four members representing coordinated care organizations in geographically diverse areas
11 of Oregon, three of which must be outside of Multnomah County; and

12 (g) Two members representing health care clinicians with experience in Medicaid billing and
13 experience providing trauma care as a result of community violence.

14 **SECTION 1752.** Section 5, chapter 30, Oregon Laws 2022, is amended to read:

15 **Sec. 5.** (1) The Oregon [*Health Authority*] **Department of Health** shall seek federal approval
16 to secure federal financial participation in the costs of providing medical assistance program cov-
17 erage for community violence prevention services for medical assistance program enrollees, as re-
18 quired by section 4 (4), **chapter 30, Oregon Laws 2022** [*of this 2022 Act*], no later than October 1,
19 2022.

20 (2) The [*authority*] **department** shall approve at least one national training program for certified
21 violence prevention professionals, as required by section 4 (2), **chapter 30, Oregon Laws 2022** [*of*
22 *this 2022 Act*], no later than October 1, 2022.

23 (3) The [*authority*] **department** shall establish a process to approve community-based training
24 programs for certified violence prevention professionals, as required by section 4 (2), **chapter 30,**
25 **Oregon Laws 2022** [*of this 2022 Act*], no later than November 15, 2022.

26 **SECTION 1753.** Section 3, chapter 37, Oregon Laws 2022, is amended to read:

27 **Sec. 3.** (1) The Oregon [*Health Authority*] **Department of Health** shall provide workers' com-
28 pensation coverage for volunteer emergency health care providers registered under ORS 401.654
29 who are injured in the course and scope of performing emergency health care services if the injury
30 occurs:

31 (a) While the volunteer is performing health care services at the direction of the [*authority*]
32 **department** under ORS 401.661; or

33 (b) While the volunteer is engaged in training being conducted or approved by the [*authority*]
34 **department** for the purpose of preparing the volunteer to perform emergency health care services.

35 (2) Workers' compensation coverage shall be provided under this section in the manner provided
36 by ORS 656.039.

37 **SECTION 1754.** Section 7, chapter 37, Oregon Laws 2022, is amended to read:

38 **Sec. 7.** (1) As used in this section:

39 (a) "Behavioral health home" means an entity providing behavioral health services that the
40 Oregon [*Health Authority*] **Department of Health** has found to meet the core attributes established
41 under ORS 413.259 for a behavioral health home.

42 (b) "Patient centered primary care home" means an entity providing health care services that
43 the [*authority*] **department** has found to meet the core attributes established under ORS 413.259 for
44 a patient centered primary care home.

45 (2) An individual or group policy or certificate of health insurance that reimburses the cost of

1 hospital, medical or surgical expenses, other than coverage limited to expenses from accidents or
2 specific diseases and limited benefit coverage, may not:

3 (a) Exclude coverage for a behavioral health service or a physical health service on the basis
4 that the behavioral health service and physical health service were provided on the same day or in
5 the same facility.

6 (b) Impose a copayment for physical health services provided by an in-network provider in a
7 behavioral health home on the same day or in the same facility that a copayment was charged for
8 behavioral health services.

9 (c) Impose a copayment for behavioral health services provided by an in-network provider in a
10 patient centered primary care home on the same day or in the same facility that a copayment was
11 charged for physical health services.

12 (d) Require prior authorization for a covered behavioral health service provided by a specialist
13 in a behavioral health home or a patient centered primary care home.

14 (3) Subsection (2)(a) of this section does not apply to a health benefit plan in which providers
15 are reimbursed by payment of a fixed global budget, using a value-based payment arrangement or
16 using other alternative payment methodologies.

17 (4) This section is exempt from ORS 743A.001.

18 **SECTION 1755.** Section 10, chapter 37, Oregon Laws 2022, is amended to read:

19 **Sec. 10.** (1) A claim for reimbursement for a behavioral health service or a physical health
20 service provided to a medical assistance recipient may not be denied by the Oregon [*Health Au-*
21 *thority*] **Department of Health** or a coordinated care organization on the basis that the behavioral
22 health service and physical health service were provided on the same day or in the same facility,
23 unless required by state or federal law.

24 (2) A coordinated care organization may not require prior authorization for specialty behavioral
25 health services provided to a medical assistance recipient at a behavioral health home or a patient
26 centered primary care home unless permitted to do so by the [*authority*] **department**.

27 (3) A coordinated care organization must assign a member of the coordinated care organization
28 to a primary care provider if the member has not selected a primary care provider by the 90th day
29 after enrollment in medical assistance. The coordinated care organization shall provide notice of the
30 assignment to the member and to the primary care provider.

31 (4) A member may select a different primary care provider at any time.

32 (5) Subsection (1) of this section does not apply to coordinated care organizations' payments to
33 providers using a value-based payment arrangement or other alternative payment methodology.

34 **SECTION 1756.** Section 1, chapter 39, Oregon Laws 2022, is amended to read:

35 **Sec. 1.** (1) As used in this section:

36 (a) "Behavioral health care" means services and supports for individuals with mental health or
37 substance use disorders.

38 (b) "Provider" means:

39 (A) A mental health or substance use disorder crisis line provider;

40 (B) An Urban Indian Health Program in this state;

41 (C) A Tribal Behavioral Health Program grant recipient in this state; or

42 (D) An entity:

43 (i) That provides behavioral health care to adults or youth, of which at least 50 percent are
44 uninsured, enrolled in the state medical assistance program or enrolled in Medicare;

45 (ii) That is not a hospital; and

- 1 (iii) That:
- 2 (I) Has been certified by the Oregon [*Health Authority*] **Department of Health** to provide be-
- 3 havioral health care;
- 4 (II) Provides behavioral health care through a program contracting with or administered by the
- 5 Oregon Youth Authority;
- 6 (III) Provides behavioral health rehabilitation services through a program contracting with or
- 7 administered by the Department of Human Services;
- 8 (IV) Is a licensed opioid treatment program;
- 9 (V) Provides withdrawal management services; or
- 10 (VI) Is a sobering center.
- 11 (2) The Oregon [*Health Authority*] **Department of Health** shall administer a program to dis-
- 12 tribute grants to providers.
- 13 (3) A provider may use a grant under subsection (2) of this section to:
- 14 (a) Increase compensation for the provider’s staff;
- 15 (b) Pay a retention bonus to an individual on the provider’s staff if necessary to prevent the
- 16 individual from leaving the provider’s employ; or
- 17 (c) Hire new staff and provide a hiring bonus, if necessary to recruit new staff.
- 18 (4) A provider must use at least 75 percent of the grant on direct compensation to the provider’s
- 19 staff in the form of wages, benefits and bonuses. The remainder may be spent on programs or other
- 20 noncompensatory means to increase workforce retention or recruitment.
- 21 (5) Notwithstanding the definition of “compensation” in ORS 652.210, a hiring or retention bonus
- 22 paid under subsection (3) of this section is not a violation of ORS 652.220.
- 23 (6) Providers must report to the Oregon [*Health Authority*] **Department of Health**, in the form
- 24 and manner prescribed by the [*authority*] **department**, on how the grants were spent and whether
- 25 the expenditures resulted in improved compensation for staff.
- 26 (7) Each grant shall be a percentage of the funds available under section 5, **chapter 39, Oregon**
- 27 **Laws 2022**, [*of this 2022 Act*] that represents a provider’s staffing costs, for both filled and vacant
- 28 positions, relative to the staffing costs of all providers in this state. Applicants for grants must state
- 29 in the application how the grant will be spent in accordance with subsection (3) of this section.
- 30 (8) Any portion of a grant that is not spent as provided in this section constitutes an overpay-
- 31 ment that the Oregon [*Health Authority*] **Department of Health** shall recover from a provider.
- 32 (9) The Oregon [*Health Authority*] **Department of Health** shall adopt rules necessary to carry
- 33 out the provisions of this section.
- 34 **SECTION 1757.** Section 2, chapter 39, Oregon Laws 2022, is amended to read:
- 35 **Sec. 2.** (1) The Oregon [*Health Authority*] **Department of Health** shall contract with nurses and
- 36 behavioral health professionals to provide care in adult and child residential behavioral health
- 37 treatment facilities, opioid treatment programs, withdrawal management programs and sobering
- 38 centers in this state to address staffing shortages at such facilities caused by the COVID-19
- 39 pandemic.
- 40 (2) The [*authority*] **department** shall seek any necessary approval from the Centers for Medicare
- 41 and Medicaid Services to secure federal financial participation in the costs of contracts described
- 42 in subsection (1) of this section if funding from the Federal Emergency Management Agency is un-
- 43 available.
- 44 **SECTION 1758.** Section 10, chapter 45, Oregon Laws 2022, is amended to read:
- 45 **Sec. 10.** (1) The Oregon [*Health Authority*] **Department of Health** may, subject to available

1 funds, implement reproductive health services and education programs and provide funding for re-
2 productive health services and education in this state.

3 (2) In order to receive state or federal funding or reimbursement from the [authority] **depart-**
4 **ment** for the provision of reproductive health services, a health care provider must be certified by
5 the [authority] **department** pursuant to rules adopted under subsection (3) of this section.

6 (3) The [authority] **department** may adopt rules necessary to carry out this section, including
7 but not limited to rules to:

- 8 (a) Establish the programs described in subsection (1) of this section;
- 9 (b) Establish a health care provider certification process; and
- 10 (c) Adopt fees.

11 **SECTION 1759.** Section 1, chapter 48, Oregon Laws 2022, is amended to read:

12 **Sec. 1.** (1) As used in this section:

13 (a) “Communities of color” means members of the following racial or ethnic communities:

- 14 (A) American Indian;
- 15 (B) Alaska Native;
- 16 (C) Hispanic or Latino;
- 17 (D) Asian;
- 18 (E) Native Hawaiian;
- 19 (F) Pacific Islander;
- 20 (G) Black or African American;
- 21 (H) Middle Eastern;
- 22 (I) North African;
- 23 (J) Mixed race; or
- 24 (K) Other racial or ethnic minorities.

25 (b) “Priority populations” means groups that disproportionately experience avoidable illness,
26 death or other poor health or social outcomes attributable directly or indirectly to racism, including:

- 27 (A) Communities of color;
- 28 (B) Oregon’s nine federally recognized tribes and the descendants of the members of the tribes;
- 29 (C) Immigrants;
- 30 (D) Refugees;
- 31 (E) Migrant and seasonal farmworkers;
- 32 (F) Low-income individuals and families;
- 33 (G) Persons with disabilities; and
- 34 (H) Individuals who identify as lesbian, gay, bisexual, transgender or queer or who question

35 their sexual or gender identity.

36 (2)(a) The Oregon [Health Authority] **Department of Health** shall convene an advisory com-
37 mittee to provide guidance on establishing, funding and operating a pilot program to improve the
38 health outcomes of Oregonians impacted by racism by providing grants to one or more entities to
39 operate two culturally and linguistically specific mobile health units in this state.

40 (b) The membership of the advisory committee shall consist of:

- 41 (A) Individuals from priority populations; and
- 42 (B) Public health and health care professionals or other experts.

43 (c) At least 51 percent of the members of the advisory committee with decision-making authority
44 must be members of priority populations.

45 (d) Eligibility requirements for grants must align with the health equity framework of the

1 [authority's] **department's** 2020-2024 State Health Improvement Plan, Healthier Together Oregon.

2 (3) Based on the guidance of the advisory committee convened under subsection (2) of this sec-
3 tion, the [authority] **department** shall administer the pilot program, providing grants only to entities
4 that:

5 (a) Demonstrate the ability to serve priority populations;

6 (b) Demonstrate the ability to conduct meaningful community engagement; and

7 (c) Have previously established relationships with one or more priority populations.

8 (4) Pilot mobile health units funded by grants described in subsection (3) of this section must
9 engage in an assessment of the populations served by race, ethnicity, language, disability, sexual
10 orientation and gender identity to inform the potential expansion of the pilot program statewide.

11 (5) The [authority] **department** shall study the feasibility of expanding mobile health units
12 throughout this state. In conducting the study, the [authority] **department** shall engage providers
13 of health care, members of coordinated care organizations, medical assistance recipients and other
14 community members from priority populations. The study shall include:

15 (a) An environmental scan of Oregon;

16 (b) A needs assessment of the collective needs of underserved areas of this state;

17 (c) The identification and development of regional parameters where mobile health units will
18 operate;

19 (d) The identification and development of a culturally and linguistically specific mobile health
20 unit model staffed by health professionals who reflect the priority populations served;

21 (e) An analysis of services to be provided by mobile health units;

22 (f) The identification of opportunities to leverage matching federal funds;

23 (g) An analysis of staff and resources needed for statewide mobile health units;

24 (h) A financial analysis; and

25 (i) How to ensure the [authority's] **department's** goals for equity and inclusion are met.

26 (6) The [authority] **department** shall provide an interim report to the Legislative Assembly, in
27 the manner provided in ORS 192.245, no later than December 31, 2025, and a final report no later
28 than June 30, 2026, on the implementation of the pilot program described in subsection (2) of this
29 section and the findings of the study described in subsection (5) of this section. The final report
30 shall include recommendations for implementing a statewide mobile health unit pilot program.

31 **SECTION 1760.** Section 2, chapter 48, Oregon Laws 2022, is amended to read:

32 **Sec. 2.** (1) The Oregon Advocacy Commissions Office, in collaboration with culturally specific
33 community-based organizations, shall convene affinity group task forces consisting of leaders of
34 Black and indigenous communities, people of color and members of the nine federally recognized
35 tribes in Oregon. The task forces shall discuss and research the specific needs of the communities
36 they represent and develop recommendations for specific allocations of resources to address the
37 communities' needs and health inequities faced by the communities. The task forces shall also make
38 recommendations on whether their work should continue beyond June 30, 2023.

39 (2) Based on the research and recommendations of the affinity group task forces, the Oregon
40 [Health Authority] **Department of Health** shall develop recommendations on how to fund robust
41 culturally and linguistically specific intervention programs, across all relevant state agencies, de-
42 signed to prevent or intervene in the health conditions that result in inequitable and negative out-
43 comes for individuals who are Black or indigenous, people of color and members of tribes. The
44 interventions must focus on aspects of the social determinants of health including housing, access
45 to food, neighborhood safety, education, transportation and involvement with the criminal justice

1 system.

2 (3) The office shall report the recommendations of the task forces to the Legislative Assembly,
3 in the manner provided in ORS 192.245, no later than November 1, 2023.

4 (4) No later than November 30, 2023, the [authority] **department** shall report to the Legislative
5 Assembly, in the manner provided in ORS 192.245, on the development of the recommendations on
6 how to fund robust culturally and linguistically specific intervention programs, as required by sub-
7 section (2) of this section.

8 (5) No later than November 1, 2024, the [authority] **department** shall report to the Legislative
9 Assembly, in the manner provided in ORS 192.245, the [authority's] **department's** final recommen-
10 dations under subsection (2) of this section.

11 **SECTION 1761.** Section 7, chapter 55, Oregon Laws 2022, is amended to read:

12 **Sec. 7.** (1) The Oregon Homeland Security Council, in consultation with emergency management
13 agencies, the Oregon Department of Emergency Management or its predecessor office, and the
14 Oregon [Health Authority] **Department of Health**, shall develop a plan to ensure that Oregonians
15 have access to a robust stockpile of supplies and equipment for use in an emergency, including
16 personal protective equipment and raw materials for the sustained manufacture thereof,
17 communicable disease testing equipment and all-hazards emergency surge supplies, that can be de-
18 ployed on a regional basis.

19 (2) In developing the plan, the council shall:

20 (a) Develop a comprehensive list of essential equipment, materials, supplies, distribution chan-
21 nels and manufacturing capabilities necessary to accomplish the purpose described in subsection (1)
22 of this section;

23 (b) Determine a statewide standard of availability, sufficient to adequately protect public health
24 and safety, for each article of personal protective equipment and each element of communicable
25 disease testing equipment on the list;

26 (c) Establish metrics and processes for real-time, transparent reporting of materials, supplies,
27 distribution channels and manufacturing capabilities for each type of equipment or supply on the list
28 that the council deems to be critical in an emergency;

29 (d) Collaborate with hospitals, long term care facilities, provider groups and health care organ-
30 izations to obtain information on the extent to which each entity is able to provide personal pro-
31 tective equipment to personnel who are in contact with patients, including usage rates of personal
32 protective equipment during normal business operations and any additional personal protective
33 equipment each entity may maintain for emergency purposes;

34 (e) Determine a rotation schedule for supplies, equipment and materials in the stockpile; and

35 (f) Establish quality standards for elements of the stockpile, utilizing guidance from the Centers
36 for Disease Control and Prevention and other public health organizations.

37 (3) On or before April 15, 2023, the council shall report to the Legislative Assembly, in the
38 manner provided by ORS 192.245, on the plan developed under this section. The report must include:

39 (a) A description of the plan;

40 (b) An estimate of the cost of implementing the plan, including costs related to communication
41 and coordination between participating entities; and

42 (c) Recommendations, which may include recommendations for legislation, regarding the imple-
43 mentation, operation and funding of the plan, including a recommendation of the state agency best
44 suited to manage the plan.

45 **SECTION 1762.** Section 12, chapter 58, Oregon Laws 2022, is amended to read:

1 **Sec. 12.** (1) The Environmental Justice Council with staff support from the Department of En-
 2 vironmental Quality, in collaboration with the office of Enterprise Information Services, the Institute
 3 for Natural Resources, the Portland State University Population Research Center, and natural re-
 4 source agencies with staff support from the Department of **Environmental Quality** and the Oregon
 5 [*Health Authority*] **Department of Health**, shall develop an environmental justice mapping tool.

6 (2) When developing the environmental justice mapping tool, the council shall develop and con-
 7 duct an inclusive community engagement process to receive input from communities across this
 8 state and consult with natural resource agencies. The council shall hold at least six meetings in
 9 different regions of this state, including at least one meeting in a remote community, to:

10 (a) Present a work plan and proposals for the environmental justice mapping tool; and

11 (b) Receive input and feedback from communities throughout this state about:

12 (A) Environmental, health, socioeconomic and other factors that should be considered in the
 13 development of the mapping tool;

14 (B) How the mapping tool should be used to help distribute resources to communities that have
 15 experienced underinvestment;

16 (C) How socioeconomic benefits and burdens could be mapped and considered in addition to
 17 environmental, health and other data;

18 (D) Other uses for the mapping tool that can provide community benefits and diminish commu-
 19 nity burdens;

20 (E) Geospatial layers to further define environmental justice communities based on the preva-
 21 lence of specific factors; and

22 (F) Community-generated data that may be included in the mapping tool.

23 (3) The mapping tool must:

24 (a) Be based on factors that are derived from direct input through the inclusive community en-
 25 gagement process described in subsection (2) of this section;

26 (b) Be sufficiently detailed to allow the assessment of environmental justice benefits and bur-
 27 dens;

28 (c) Include geospatial data layers that may be used to help better understand the nature of en-
 29 vironmental justice communities;

30 (d) Include data from natural resource agencies or be compatible with other mapping tools de-
 31 veloped by other state agencies; and

32 (e) Be accessible to the public.

33 (4) The office of Enterprise Information Services shall recommend data quality standards and
 34 methodologies for the development and maintenance of the mapping tool.

35 (5) The council shall enter into an agreement with the Institute for Natural Resources that
 36 provides that the institute will maintain the mapping tool and make the mapping tool publicly
 37 available in electronic form through the Oregon Explorer.

38 (6) The council shall review the mapping tool at least once every four years using the inclusive
 39 community engagement process described in subsection (2) of this section and update the mapping
 40 tool as necessary.

41 **SECTION 1763.** Section 1, chapter 61, Oregon Laws 2022, is amended to read:

42 **Sec. 1.** (1) As used in this section:

43 (a) “Dental care organization” means a prepaid managed care health services organization, as
 44 defined in ORS 414.025, that provides dental care to members of a coordinated care organization.

45 (b) “Medical assistance” has the meaning given that term in ORS 414.025.

1 (c) "Veteran" means an individual who is a veteran, as defined in ORS 408.225, except the in-
2 dividual may be discharged or released under honorable or other than honorable conditions.

3 (2) The Veterans Dental Program is established in the Oregon [*Health Authority*] **Department**
4 **of Health** and shall be administered in collaboration with the Department of Consumer and Business
5 Services. The purpose of the program is to provide oral health care to eligible veterans who are
6 residing in Oregon.

7 (3) The [*authority*] **Oregon Department of Health** shall contract with dental care organizations
8 throughout this state and with individual oral health care providers in areas of this state that are
9 not served by dental care organizations to provide oral health care to veterans enrolled in the
10 Veterans Dental Program.

11 (4) Enrollees in the Veterans Dental Program shall receive the types and extent of oral health
12 care services that the [*authority*] **department** determines will be provided to medical assistance
13 recipients in accordance with ORS 414.065, without any corresponding copayments, deductibles or
14 cost sharing required.

15 (5) An individual is eligible for the Veterans Dental Program if the individual:

16 (a) Is a resident of Oregon;

17 (b) Is ineligible for medical assistance;

18 (c) Has income that is at or below 400 percent of the federal poverty guidelines; and

19 (d) Is a veteran.

20 (6) The [*authority*] **department** shall:

21 (a) Prescribe by rule a simple application process for the Veterans Dental Program.

22 (b) Provide assistance, in person or by telephone, to applicants for and enrollees in the program.

23 (c) Require and accept as verification of eligibility:

24 (A) Documentation demonstrating that an applicant's income is at or below 400 percent of the
25 federal poverty guidelines.

26 (B) An applicant's federal DD Form 214 or 215.

27 **SECTION 1764.** Section 5, chapter 63, Oregon Laws 2022, is amended to read:

28 **Sec. 5.** (1) The Opioid Settlement Prevention, Treatment and Recovery Fund is established in
29 the State Treasury, separate and distinct from the General Fund, consisting of moneys, other than
30 attorney fees and costs, paid to the state pursuant to:

31 (a) The Distributor Settlement Agreement;

32 (b) The Janssen Settlement Agreement; and

33 (c) Judgments or settlements identified by the Attorney General as arising from the liability of
34 distributors of opioids, manufacturers of opioids, pharmacies for the selling of opioids or the con-
35 sultants, agents or associates of distributors, manufacturers or pharmacies.

36 (2) Moneys in the Opioid Settlement Prevention, Treatment and Recovery Fund are continuously
37 appropriated to the Oregon [*Health Authority*] **Department of Health** for the purpose of adminis-
38 tering the Opioid Settlement Prevention, Treatment and Recovery Board and for the allocation of
39 moneys as directed by the board in accordance with section 6, **chapter 63, Oregon Laws 2022** [*of*
40 *this 2022 Act*].

41 **SECTION 1765.** Section 6, chapter 63, Oregon Laws 2022, is amended to read:

42 **Sec. 6.** (1) The Opioid Settlement Prevention, Treatment and Recovery Board is created in the
43 Oregon [*Health Authority*] **Department of Health** for the purpose of determining the allocation of
44 funding from the Opioid Settlement Prevention, Treatment and Recovery Fund established in section
45 **5, chapter 63, Oregon Laws 2022** [*of this 2022 Act*]. The board consists of:

- 1 (a) The following members appointed by the Governor:
- 2 (A) A policy advisor to the Governor;
- 3 (B) A representative of the Department of Justice;
- 4 (C) A representative of the Oregon *[Health Authority]* **Department of Health**; and
- 5 (D) A representative of the Department of Human Services;
- 6 (b) The Director of the Alcohol and Drug Policy Commission or the director's designee;
- 7 (c) The chairperson of the Oversight and Accountability Council established in ORS 430.388 or
- 8 the chairperson's designee;
- 9 (d) The following members appointed by the Governor from a list of candidates provided by the
- 10 Association of Oregon Counties and the League of Oregon Cities or the successor organizations to
- 11 the Association of Oregon Counties and the League of Oregon Cities:
- 12 (A) An individual representing Clackamas, Washington or Multnomah County;
- 13 (B) An individual representing Clatsop, Columbia, Coos, Curry, Jackson, Josephine, Lane or
- 14 Yamhill County;
- 15 (C) An individual representing the City of Portland;
- 16 (D) An individual representing a city with a population above 10,000 residents as of July 21,
- 17 2021;
- 18 (E) An individual representing a city with a population at or below 10,000 residents as of July
- 19 21, 2021; and
- 20 (F) A representative of the Oregon Coalition of Local Health Officials or its successor organ-
- 21 ization;
- 22 (e) The following members appointed by the Governor from a list of candidates provided by the
- 23 members described in paragraphs (a) to (d) of this subsection:
- 24 (A) A representative of a community mental health program;
- 25 (B) An individual who has experienced a substance use disorder or a representative of an or-
- 26 ganization that advocates on behalf of individuals with substance use disorders; and
- 27 (C) An individual representing law enforcement, first responders or jail commanders or wardens;
- 28 (f) A member of the House of Representatives appointed by the Speaker of the House of Repre-
- 29 sentatives, who shall be a nonvoting member of the board;
- 30 (g) A member of the Senate appointed by the President of the Senate, who shall be a nonvoting
- 31 member of the board; and
- 32 (h) The State Court Administrator or the administrator's designee, who shall be a nonvoting
- 33 member of the board.
- 34 (2) The Governor shall select from the members described in subsection (1)(a), (b) and (c) of this
- 35 section one cochairperson to represent state entities, and the members described in subsection (1)(d)
- 36 of this section shall select from one of their members a cochairperson to represent cities or counties.
- 37 (3) The term of each member of the board who is not an ex officio member is four years, but a
- 38 member serves at the pleasure of the appointing authority. Before the expiration of a member's term,
- 39 the appointing authority shall appoint a successor whose term begins on January 1 next following.
- 40 A member is eligible for reappointment. If there is a vacancy for any cause, the appointing authority
- 41 shall make an appointment to become immediately effective for the unexpired term.
- 42 (4) Decision-making by the board shall be based on consensus and supported by at least a ma-
- 43 jority of the members. The board shall document all objections to board decisions.
- 44 (5) The board shall conduct at least four public meetings in accordance with ORS 192.610 to
- 45 192.690, which shall be publicized to facilitate attendance at the meetings and during which the

1 board shall receive testimony and input from the community. The board shall also establish a pro-
2 cess for the public to provide written comments and proposals at each meeting of the board.

3 (6) In determining the allocation of moneys from the Opioid Settlement Prevention, Treatment
4 and Recovery Fund:

5 (a) No more than five percent of the moneys may be spent on administering the board and the
6 fund.

7 (b) A portion of the moneys shall be allocated toward a unified and evidence-based state system
8 for collecting, analyzing and publishing data about the availability and efficacy of substance use
9 prevention, treatment and recovery services statewide.

10 (c) Moneys remaining after allocations in accordance with paragraphs (a) and (b) of this sub-
11 section shall be allocated for funding statewide and regional programs identified in the Distributor
12 Settlement Agreement, the Janssen Settlement Agreement and any other judgment or settlement
13 described in section 5 (1)(c), **chapter 63, Oregon Laws 2022** [of this 2022 Act], including but not
14 limited to:

15 (A) Programs that use evidence-based or evidence-informed strategies to treat opioid use disor-
16 ders and any co-occurring substance use disorders or mental health conditions;

17 (B) Programs that use evidence-based or evidence-informed strategies to support individuals in
18 recovery from opioid use disorders and any co-occurring substance use disorders or mental health
19 conditions;

20 (C) Programs that use evidence-based or evidence-informed strategies to provide connections to
21 care for individuals who have or are at risk of developing opioid use disorders and any co-occurring
22 substance use disorders or mental health conditions;

23 (D) Programs that use evidence-based or evidence-informed strategies to address the needs of
24 individuals with opioid use disorders and any co-occurring substance use disorders or mental health
25 conditions and who are involved in, at risk of becoming involved in, or in transition from, the
26 criminal justice system;

27 (E) Programs that use evidence-based or evidence-informed strategies to address the needs of
28 pregnant or parenting women with opioid use disorders and any co-occurring substance use disor-
29 ders or mental health conditions, and the needs of their families, including babies with neonatal
30 abstinence syndrome;

31 (F) Programs that use evidence-based or evidence-informed strategies to support efforts to pre-
32 vent over-prescribing of opioids and ensure appropriate prescribing and dispensing of opioids;

33 (G) Programs that use evidence-based or evidence-informed strategies to support efforts to dis-
34 courage or prevent misuse of opioids;

35 (H) Programs that use evidence-based or evidence-informed strategies to support efforts to pre-
36 vent or reduce overdose deaths or other opioid-related harms;

37 (I) Programs to educate law enforcement or other first responders regarding appropriate prac-
38 tices and precautions when dealing with users of fentanyl or other opioids;

39 (J) Programs to provide wellness and support services for first responders and others who ex-
40 perience secondary trauma associated with opioid-related emergency events;

41 (K) Programs to support efforts to provide leadership, planning, coordination, facilitation,
42 training and technical assistance to abate the opioid epidemic through activities, programs or
43 strategies; or

44 (L) Funding to support opioid abatement research.

45 (d) The board shall be guided and informed by:

1 (A) The comprehensive addiction, prevention, treatment and recovery plan developed by the
2 Alcohol and Drug Policy Commission in accordance with ORS 430.223;

3 (B) The board’s ongoing evaluation of the efficacy of the funding allocations;

4 (C) Evidence-based and evidence-informed strategies and best practices;

5 (D) Input the board receives from the public;

6 (E) Equity considerations for underserved populations; and

7 (F) The terms of the settlement agreements.

8 (7) The Oregon [*Health Authority*] **Department of Health** shall provide staff support to the
9 board.

10 **SECTION 1766.** Section 7, chapter 86, Oregon Laws 2022, is amended to read:

11 **Sec. 7.** (1) As used in this section:

12 (a) “Air conditioner” means a portable, stand-up air conditioner that has an energy efficiency
13 ratio rating of eight or higher.

14 (b)(A) “Air filter” means an air filtering device that uses a high-efficiency particulate air
15 (HEPA) filter to remove contaminating particles from the air.

16 (B) “Air filter” does not include a device that is labeled an “air purifier” and that uses an
17 electrostatic or ionizing process.

18 (c) “Eligible distribution entity” means a:

19 (A) Local government as defined in ORS 174.116;

20 (B) Local housing authority;

21 (C) Nonprofit organization;

22 (D) Federally recognized Indian tribe in Oregon;

23 (E) Indian health center;

24 (F) Coordinated care organization as defined in ORS 414.025;

25 (G) Community action agency as described in ORS 458.505;

26 (H) Manufactured dwelling park nonprofit cooperative as defined in ORS 62.803;

27 (I) Landlord that has a residential tenant who has received medical assistance through the
28 Oregon [*Health Authority*] **Department of Health**, the Department of Human Services or Medicare
29 within the past 12 months;

30 (J) Electric utility as defined in ORS 757.600; or

31 (K) Natural gas utility as defined in ORS 757.392.

32 (d) “Medical assistance” has the meaning given that term in ORS 414.025.

33 (2)(a) The Oregon [*Health Authority*] **Department of Health** shall create a program to:

34 (A) Acquire a supply of air conditioners and air filters; and

35 (B) Distribute the air conditioners and air filters to eligible distribution entities that will pro-
36 vide the air conditioners and air filters on an emergency basis to eligible individuals as described
37 in subsection (4) of this section.

38 (b) The Oregon [*Health Authority*] **Department of Health** may provide or contract with one or
39 more third parties to administer the program.

40 (3) The administrator of the program shall:

41 (a) Determine the percentage of program funds needed to support the costs of installation and
42 materials for installation.

43 (b) Determine the percentage of program funds, but no more than 10 percent of program funds,
44 needed to cover the costs of the [*authority*] **department** or a third party or parties and eligible
45 distribution entities in administering the program.

1 (c) Make technical assistance resources available to individuals who receive an air conditioner
2 or air filter under the program that answer questions about the installation, use and maintenance
3 of the air conditioners and air filters.

4 (d) Provide technical assistance to eligible distribution entities, including assistance that sup-
5 ports the distribution, installation and maintenance of the air conditioners and air filters.

6 (4) An eligible distribution entity may distribute air conditioners and air filters under this sec-
7 tion only to individuals who:

8 (a) Are eligible to receive medical assistance through the Oregon [*Health Authority*] **Depart-**
9 **ment of Health**, the Department of Human Services or Medicare, or have received any of these
10 services in the past 12 months;

11 (b) Reside in any type of housing or recreational vehicle, as defined in ORS 174.101, that has
12 electricity for operating the air conditioner or air filter; and

13 (c) Upon receiving an air conditioner or air filter, provide an attestation that the individual can
14 safely and legally install the air conditioner or air filter in the individual's home or recreational
15 vehicle.

16 (5) The Oregon [*Health Authority*] **Department of Health** shall make available a list of eligible
17 distribution entities participating in the program to:

18 (a) Individuals who are eligible to receive medical assistance through the Oregon [*Health Au-*
19 *thority*] **Department of Health** or Department of Human Services.

20 (b) The 2-1-1 system provided for in ORS 403.400 to 403.430.

21 (c) The Housing and Community Services Department.

22 (6) The Oregon [*Health Authority*] **Department of Health** and any eligible distribution entity
23 participating in the program are immune from civil liability for:

24 (a) The functioning, safety or impact of any air conditioner or air filter distributed by the pro-
25 gram.

26 (b) Any heat-related health impacts to an individual using an air conditioner or air filter dis-
27 tributed by the program.

28 (7) The Oregon [*Health Authority*] **Department of Health** shall adopt rules to implement the
29 program.

30 **SECTION 1767.** Section 10, chapter 86, Oregon Laws 2022, is amended to read:

31 **Sec. 10.** The Housing and Community Services Department shall make available on the
32 department's website:

33 (1) A list of dates and counties in which there exists an extreme heat event as defined in section
34 **2, chapter 86, Oregon Laws 2022** [*of this 2022 Act*]. Dates published on the website must remain
35 on the website for at least one year.

36 (2) Information regarding relevant programs and services available to landlords to provide ade-
37 quate cooling under ORS 90.320 (1)(m) or 90.730 (3)(d), including:

38 (a) Programs administered by the **Housing and Community Services** Department;

39 (b) Information provided by the Oregon [*Health Authority*] **Department of Health** regarding
40 programs administered by the [*authority*] **department**, including the list of eligible distribution en-
41 tities compiled under section 7 (5), **chapter 86, Oregon Laws 2022** [*of this 2022 Act*];

42 (c) Information provided by the State Department of Energy regarding programs administered
43 by the department;

44 (d) Programs administered by the nongovernmental entity that administers public purpose
45 charge moneys under ORS 757.612 (3)(d); and

1 (e) Federal programs, rebates or incentives, including those administered by the Bonneville
2 Power Administration.

3 **SECTION 1768.** Section 14, chapter 86, Oregon Laws 2022, is amended to read:

4 **Sec. 14.** (1) As used in this section:

5 (a) “Bulk fuel” means liquid petroleum, propane, coal, wood, wood-based products or other fuel
6 delivered and stored until used on-site by the final consumer to produce energy.

7 (b) “Climate zone” means a heating or cooling climate zone assigned to a county by the
8 Bonneville Power Administration.

9 (c) “Electric resistance heat” means heat produced by passing an electric current through a
10 material that has high resistance, such as used in an electric baseboard, wall or space heater.

11 (d) “Electric utility” has the meaning given that term in ORS 757.600.

12 (e) “Eligible entity” means a:

13 (A) Local government as defined in ORS 174.116;

14 (B) Local housing authority;

15 (C) Nonprofit organization;

16 (D) Federally recognized Indian tribe in Oregon;

17 (E) Coordinated care organization as defined in ORS 414.025;

18 (F) Community action agency as described in ORS 458.505;

19 (G) Manufactured dwelling park nonprofit cooperative as defined in ORS 62.803; or

20 (H) An electric utility.

21 (f) “Energy burden” means the percentage of gross household income spent on energy costs.

22 (g) “Environmental justice communities” has the meaning given that term in ORS 469A.400.

23 (h) “Heat pump” means an air-source or ground-source heat pump with an energy efficiency
24 rating set by the State Department of Energy under subsection (5) of this section or a higher effi-
25 ciency rating.

26 (i) “Region” means an economic development district in Oregon, designated by the Economic
27 Development Administration of the United States Department of Commerce, for which a regional
28 solutions center has been established under ORS 284.754.

29 (2) The Heat Pump Deployment Program is established within the State Department of Energy.
30 The purpose of the program is to award grants to one eligible entity for each region and federally
31 recognized Indian tribe in Oregon to provide financial assistance, including loans, grants, rebates
32 or incentives, for the purchase and installation of heat pumps and related upgrades to individuals
33 who reside within that region or who are members of that tribe.

34 (3)(a) To be eligible to receive a grant from the Heat Pump Deployment Program, an eligible
35 entity must establish that it:

36 (A) Serves or represents:

37 (i) An environmental justice community or communities within a region; or

38 (ii) Members of a federally recognized Indian tribe in Oregon; and

39 (B) Has the capacity to administer grant funds received under this section.

40 (b) An eligible entity applying for a grant may partner with other eligible entities, but the entity
41 that is awarded the grant shall take a lead role in administering grant funds and providing financial
42 assistance.

43 (c) An eligible entity that serves or represents a community that is located within more than
44 one region may apply for a grant only for the region within which the greatest percentage of the
45 individuals of that community reside.

1 (d) An eligible entity that serves a specific geographical area may propose, in consultation with
2 any electric utility that serves the area, that the department use alternative boundaries to define
3 a region. The department may approve the use of alternative boundaries to define a region provided
4 that a minimum percentage, as determined by the department, of the eligible entity's specific ge-
5 ographical area is within the alternative boundaries of the region.

6 (e) If an electric utility is awarded a grant from the Heat Pump Deployment Program:

7 (A) The electric utility may provide financial assistance from grant funds only to individuals
8 who reside within the electric utility's service area and within the region for which the electric
9 utility is awarded a grant.

10 (B) The electric utility shall partner with one or more other eligible entities to provide financial
11 assistance from grant funds to individuals who reside outside the electric utility's service area and
12 within the region for which the electric utility is awarded a grant.

13 (4) An eligible entity that is awarded a grant from the Heat Pump Deployment Program shall:

14 (a) Use the grant funds to cover up to:

15 (A) One hundred percent of the purchase and installation costs of a heat pump.

16 (B) A percentage, as determined by the department, of the costs for related upgrades that sup-
17 port or enable the use of a heat pump, including:

18 (i) A new electrical panel or other upgrades to the electrical system of a home or building.

19 (ii) Weatherization or other structural repairs to reduce home or building heat and cooling loss.

20 (iii) Upgrades to improve the airflow of a home or building.

21 (b) Prioritize the provision of financial assistance to:

22 (A) Environmental justice communities.

23 (B) Individuals who rely on bulk fuels or electric resistance heating.

24 (C) Individuals who reside in a home or structure that does not have a functioning heating or
25 cooling system.

26 (c) Enter into a performance agreement with the department as described in subsection (8) of
27 this section.

28 (5) The department shall:

29 (a) Award grants using available funds in the Heat Pump Deployment Fund established under
30 section 16, **chapter 86, Oregon Laws 2022** [of this 2022 Act].

31 (b) In awarding grants, give preference to eligible entities with:

32 (A) Experience in administering state grant programs or programs similar to the Heat Pump
33 Deployment Program.

34 (B) Experience with community program development within a region or with members of a
35 tribe.

36 (C) Connections to communities within a region or with members of a tribe.

37 (c) Develop criteria for allocating the amount of each grant based on the energy burden of res-
38 idences within the region or of members of the tribe and the climate zones that make up the coun-
39 ties of that region or of tribal lands.

40 (d) Permit a review of awarded grant funds by members of communities who may benefit from
41 the Heat Pump Deployment Program.

42 (e) In consultation with electric utilities, the Bonneville Power Administration and the nongov-
43 ernmental entity that administers public purpose charge moneys collected under ORS 757.612 (3)(d),
44 set the minimum energy efficiency rating that a heat pump must have to be eligible for grant funds.
45 The minimum energy efficiency rating for a heat pump set by the department must be equal to or

1 greater than federal energy efficiency rating standards for heat pumps.

2 (6) The department may not use moneys collected through the energy resource supplier assess-
3 ment required under ORS 469.421 (8) to fund grants awarded under the Heat Pump Deployment
4 Program.

5 (7) The department may:

6 (a) Establish a maximum amount of grant funds payable toward the purchase and installation
7 of a heat pump and related upgrades.

8 (b) Permit the use of loans, grants, rebates or incentives offered by an electric utility or other
9 programs toward any costs of the purchase and installation of a heat pump and related upgrades
10 not covered by the Heat Pump Deployment Program.

11 (c) Provide information to individuals receiving financial assistance from the Heat Pump De-
12 ployment Program about other loans, grants, rebates or incentives that may be offered by an electric
13 utility or other programs.

14 (d) Develop criteria for how specific loans, grants, rebates or incentives offered by an electric
15 utility or other programs may be used toward the costs of the purchase or installation of a heat
16 pump and related upgrades.

17 (e) Establish incentives to encourage the purchase and installation of heat pumps and related
18 upgrades that have higher efficiency ratings.

19 (f) Establish incentives for the purchase and installation of a heating or cooling device that has
20 an efficiency rating similar to or higher than that of a heat pump and that provides additional
21 benefits such as improving indoor air quality or lowering an individual's energy burden.

22 (g) Develop program procedures and practices that align with the reporting and other require-
23 ments of loans, grants, rebates or incentives offered by an electric utility or other programs.

24 (h) Require, by rule, that eligible entities notify electric utilities of a heat pump installation and
25 whether grant funds may be used for necessary electric distribution system upgrades associated with
26 the installation of the heat pump.

27 (8) Before receiving a grant under this section, an eligible entity shall enter into a performance
28 agreement with the department that:

29 (a) Indicates the purposes for which the grant funds may be used;

30 (b) Prohibits the eligible entity from using more than 15 percent of awarded grant funds for
31 administrative expenses and marketing costs;

32 (c) Includes the repayment provisions set forth in subsection (9) of this section;

33 (d) Permits the department to conduct audits and investigations of the eligible entity regarding
34 the use of grant funds; and

35 (e) Requires the eligible entity to provide reports as required by subsection (10) of this section.

36 (9) An eligible entity must repay to the department, in whole or in part, grant funds received
37 under this section to the extent that:

38 (a) The eligible entity does not use the grant funds in accordance with the provisions of the
39 performance agreement executed between the department and the eligible entity under subsection
40 (8) of this section; or

41 (b) The Director of the State Department of Energy determines that the eligible entity must
42 repay all or part of the grant funds on grounds of misappropriation, fraud or similar reasons after
43 auditing or investigating the eligible entity's operations and conducting a contested case hearing
44 under ORS 183.413 to 183.470.

45 (10) Each eligible entity that receives a grant under this section shall report to the department

1 by June 30 of each year concerning the status and use of grant funds. The report may not disclose
 2 the personal information of the recipients of financial assistance under the program. The report must
 3 include:

4 (a) A detailed description of the eligible entity's use of grant funds;

5 (b) A list of each loan, grant or other financial assistance that the eligible entity has provided
 6 and, where applicable, a full accounting of the repayment status of the loans;

7 (c) The nature and amounts of the administrative expenses and marketing costs the eligible en-
 8 tity has incurred in providing loans, grants and other financial assistance under the program; and

9 (d) Any other information required by the department.

10 (11) The department shall adopt rules to carry out the provisions of this section. The rules shall
 11 be developed in consultation with:

12 (a) The Bureau of Labor and Industries on issues related to the workforce.

13 (b) The Building Codes Division of the Department of Consumer and Business Services on issues
 14 related to building codes and commissioning.

15 (c) The Housing and Community Services Department to ensure the Heat Pump Deployment
 16 Program complements any existing programs or services.

17 (d) The Department of Environmental Quality on issues of air quality related to bulk fuels and
 18 to ensure the Heat Pump Deployment Program complements any existing programs or services.

19 (e) The Oregon [*Health Authority*] **Department of Health** on any health impacts and health
 20 impact data related to the Heat Pump Deployment Program and to ensure the program complements
 21 any existing programs or services.

22 (f) Electric utilities and utility program administrators on any impacts the Heat Pump Deploy-
 23 ment Program may have on utility systems or services and to ensure the program complements any
 24 existing programs, incentives or services.

25 (g) Nonprofit organizations, housing providers, heat pump technicians and other stakeholders
 26 as appropriate.

27 **SECTION 1769.** Section 1, chapter 87, Oregon Laws 2022, is amended to read:

28 **Sec. 1.** (1) As used in this section:

29 (a) "COFA citizen" has the meaning given that term in ORS 413.611.

30 (b) "Dental care organization" means a prepaid managed care health services organization, as
 31 defined in ORS 414.025, that provides dental care to members of a coordinated care organization.

32 (c) "Income" means the modified adjusted gross income that is attributed to an individual in
 33 determining the individual's eligibility for the medical assistance program.

34 (2) The COFA Dental Program is established in the Oregon [*Health Authority*] **Department of**
 35 **Health**. The purpose of the program is to provide oral health care to low-income citizens of the is-
 36 land nations in the Compact of Free Association who are residing in Oregon.

37 (3) The [*authority*] **department** shall contract with dental care organizations throughout this
 38 state, and with individual oral health care providers in areas of this state that are not served by
 39 dental care organizations, to provide oral health care to COFA citizens enrolled in the COFA Dental
 40 Program.

41 (4) Enrollees in the COFA Dental Program shall receive the types and extent of oral health care
 42 services that the [*authority*] **department** determines will be provided to medical assistance recipi-
 43 ents in accordance with ORS 414.065, without any corresponding copayments, deductibles or cost
 44 sharing required.

45 (5) An individual is eligible for the COFA Dental Program if the individual:

1 (a) Is a resident of Oregon;

2 (b) Is a COFA citizen;

3 (c) Has income that is less than 138 percent of the federal poverty guidelines; and

4 (d) Does not qualify for Medicaid under Title XIX of the Social Security Act or the Children's
5 Health Insurance Program under Title XXI of the Social Security Act.

6 (6) The [authority] **department** may use the application process described in ORS 411.400 for the
7 COFA Dental Program. The [authority] **department** shall provide culturally and linguistically ap-
8 propriate assistance, in person and by telephone, to applicants for and enrollees in the program. The
9 application process, forms and notices used in the COFA Dental Program must conform to the
10 guidance adopted by the United States Department of Health and Human Services, in accordance
11 with Title VI of the Civil Rights Act of 1964, regarding the prohibition against national origin dis-
12 crimination affecting persons with limited English proficiency in federally funded programs.

13 (7) The [authority] **department** shall accept as verification of eligibility the attestation of an
14 applicant for or enrollee in the COFA Dental Program that the applicant or enrollee meets the re-
15 quirements of subsection (5) of this section.

16 (8) The [authority] **department** shall conduct outreach as described in ORS 413.612 (4)(e) to fa-
17 cilitate applications for and enrollment in the COFA Dental Program.

18 (9) The [authority] **department** may not disclose personally identifying information about appli-
19 cants for or enrollees in the COFA Dental Program except to the extent necessary to conduct out-
20 reach under subsection (8) of this section or to comply with federal or state laws.

21 **SECTION 1770.** Section 14, chapter 90, Oregon Laws 2022, is amended to read:

22 **Sec. 14.** (1) As used in this section:

23 (a) "Certified foster home" means a foster home certified by the Department of Human Services
24 and subject to ORS 418.625 to 418.645.

25 (b) "Child-caring agency" has the meaning given that term under ORS 418.205.

26 (c) "Developmental disabilities residential facility" means a residential facility or foster home
27 for children who are 17 years of age or younger and receiving developmental disability services that
28 is subject to ORS 443.400 to 443.455, 443.830 and 443.835.

29 (d) "Secure escort" means escort services for a child who poses a risk of elopement or where
30 restraint or seclusion may be utilized if the child poses a risk of injury to self or others, and as
31 further defined by the department by rule.

32 (e) "Secure nonemergency medical transportation provider" means a private organization or
33 person that provides nonemergency medical secure transportation services subject to rules adopted
34 by the Oregon [Health Authority] **Department of Health**.

35 (f) "Secure transportation" means the transport of a child in a vehicle specifically equipped to
36 prevent a passenger from exiting, eloping or interfering with the operator of the vehicle, and as
37 further defined by the Department **of Human Services** by rule.

38 (g) "Secure transportation services" means the secure transportation or secure escort of chil-
39 dren.

40 (2) The Department **of Human Services** shall adopt rules consistent with this section for the
41 issuance, under ORS 418.215 and 418.240, of licenses to provide secure transportation services to
42 providers that are child-caring agencies solely as the result of providing secure transportation ser-
43 vices as described in ORS 418.205 (2)(a)(B) and for the issuance of supplemental licenses to child-
44 caring agencies described in ORS 418.205 (2)(a)(A) that also provide secure transportation services
45 as described in ORS 418.205 (2)(a)(B).

1 (3)(a) The following secure transportation services providers are exempt from the requirements
2 under ORS 418.215 and 418.240 to obtain from the department a license or a supplemental license
3 to provide secure transportation services:

4 (A) A secure nonemergency medical transportation provider.

5 (B) A child-caring agency that is licensed, certified or otherwise authorized by the department
6 to provide or engage in the provision of care or services to children if:

7 (i) The agency is not primarily engaged in the provision of secure transportation services;

8 (ii) The child being transported or escorted resides in or is otherwise receiving services from
9 the agency; and

10 (iii) The transportation or escort is provided consistent with the rules adopted by the depart-
11 ment under this section.

12 (C) An ambulance service, as defined in ORS 682.025, that is transporting a child in an ambu-
13 lance for the purpose of obtaining medical care for the child.

14 (D) A developmental disabilities residential facility if:

15 (i) The facility is not primarily engaged in the provision of secure transportation services;

16 (ii) The child being transported or escorted resides in or is otherwise receiving services from
17 the facility; and

18 (iii) The transportation or escort is provided consistent with the rules adopted by the depart-
19 ment under this section.

20 (b) The licensing exemptions under paragraph (a)(B) and (D) of this subsection do not apply if
21 the child-caring agency or developmental disabilities residential facility is transporting the child for
22 the purposes of placing the child in a facility that is not licensed by the department or in a hospital
23 that is not licensed by the [authority] **Oregon Department of Health**.

24 (4)(a) A secure transportation services provider, including a provider that is described in sub-
25 section (3) of this section, must display the disclosure described in ORS 418.359 (2) in a conspicuous
26 location in any advertisements or promotional materials for its secure transportation services and
27 in each vehicle it uses to provide its secure transportation services if:

28 (A) The provider is not licensed by the Department **of Human Services** under ORS 418.215 or
29 418.240 to provide secure transportation services; and

30 (B) The provider holds itself out as being an Oregon provider of secure transportation services,
31 including by registering in this state the vehicles it uses in the provision of its secure transportation
32 services or representing or otherwise indicating in advertisements or promotional materials that the
33 provider is based in this state, maintains a mailing address in this state or is licensed, certified or
34 otherwise authorized by the [department or the authority] **Department of Human Services or the**
35 **Oregon Department of Health** to provide secure transportation services or similar services in this
36 state.

37 (b) The disclosure under paragraph (a) of this subsection must also indicate that the secure
38 transportation services provider is not licensed by the Department **of Human Services** under ORS
39 418.215 or 418.240 to provide secure transportation services and, if applicable, the reason for the
40 provider's licensing exemption under subsection (3) of this section.

41 (c) If a provider that is required to make a disclosure under this subsection is authorized by the
42 [authority] **Oregon Department of Health** to provide secure transportation services, the provider's
43 disclosure under this subsection may, consistent with rules adopted by the [authority] **department**,
44 also include a statement that the provider is authorized by the [authority] **department** to provide
45 secure transportation services.

1 (5) The *[department and the authority]* **Department of Human Services and the Oregon De-**
 2 **partment of Health** may adopt rules for the provision of secure transportation services consistent
 3 with this section and ORS 418.205 to 418.327, 418.359 and 418.519 to 418.532.

4 **SECTION 1771.** Section 3, chapter 91, Oregon Laws 2022, is amended to read:

5 **Sec. 3.** Notwithstanding any provision of the state building code, as defined in ORS 455.010, a
 6 single-family detached dwelling that is used to operate a residential training home, as defined in
 7 ORS 443.400, or an adult foster home, as defined in ORS 443.705, is not required to have installed
 8 an automatic sprinkler system if:

9 (1) The dwelling has been operated as a residential training home or an adult foster home pur-
 10 suant to a license issued prior to July 1, 2024;

11 (2) The operator is licensed to serve five or fewer individuals in the dwelling; and

12 (3) The operator and the dwelling meet all other fire, life and safety requirements established
 13 by the Department of Human Services or the Oregon *[Health Authority]* **Department of Health** by
 14 rule.

15 **SECTION 1772.** Section 1, chapter 93, Oregon Laws 2022, is amended to read:

16 **Sec. 1.** (1) The Oregon *[Health Authority]* **Department of Health** shall study the state's public
 17 health response to the COVID-19 pandemic and prepare the reports described in this section.

18 (2) At a minimum, the study shall initially:

19 (a) Focus on the public health system, including federal, state and local resources and how
 20 funding was coordinated between the state, counties and local governments and community organ-
 21 izations;

22 (b) Identify efficiencies and deficiencies in the public health system response, areas for im-
 23 provement and needed investment;

24 (c) Consider emergency management coordination with the public health system, including dis-
 25 tribution of personal protective equipment, where vaccines and testing were provided and isolation
 26 and quarantine best practices and guidance;

27 (d) Analyze the enforcement of public health requirements by the state, local governments and
 28 schools;

29 (e) Examine the efficacy of enforcement of pandemic control evidence-based practices, including
 30 any statewide public health mandates, at the county and local levels;

31 (f) Examine outcomes related to public health modernization implementation, including the roles
 32 that public-private partnerships played and any challenges posed by the current intersection of state
 33 and county public health systems;

34 (g) Compare the health equity outcomes related to the COVID-19 pandemic response, including
 35 secondhand health disparities resulting from the increased strain on hospitals, health systems and
 36 resources;

37 (h) Engage in a qualitative, in-depth analysis of utilization of resources, differing regulations and
 38 enforcement of evidence-based pandemic control practices across this state; and

39 (i) Assess messaging in general, including whether best practices in public health communication
 40 were used during the COVID-19 pandemic.

41 (3)(a) The *[authority]* **department** shall prepare a report that, in addition to information re-
 42 garding the topics described in subsection (2) of this section, includes at least:

43 (A) A broad review of the COVID-19 pandemic;

44 (B) Identification of areas in the public health system COVID-19 response that need improve-
 45 ment;

1 (C) Recommendations to improve the public health system COVID-19 response;

2 (D) A summary of key lessons learned; and

3 (E) Recommendations for improving:

4 (i) Public health system resiliency; and

5 (ii) Other deficiencies identified in the study.

6 (b) The [authority] **department** shall submit, in the manner provided in ORS 192.245, the report
7 described in paragraph (a) of this subsection to an interim committee of the Legislative Assembly
8 related to public health not later than November 15, 2022.

9 (4) In addition to the study described in subsection (2) of this section, the [authority] **depart-**
10 **ment** shall perform a study to:

11 (a) Identify any local epidemiological data and capacity issues, including those that affected the
12 reporting of data to statewide data systems;

13 (b) Clarify the roles of hospitals, long term care facilities and local public health programs in
14 response coordination;

15 (c) Compare health and health system data, including COVID-19 positivity rates, rates of
16 COVID-19 infection, hospital capacity and other core metrics, with the efficacy of statewide public
17 health mandate enforcement; and

18 (d) Investigate specific public health workforce challenges.

19 (5)(a) The [authority] **department** shall prepare a report that, in addition to information re-
20 garding the topics described in subsection (4) of this section, includes at least:

21 (A) An in-depth report of nongovernmental and community partner contributions to the
22 COVID-19 response; and

23 (B) Recommendations for improving specific public health workforce challenges.

24 (b) The [authority] **department** shall submit, in the manner provided in ORS 192.245, the report
25 described in paragraph (a) of this subsection to an interim committee of the Legislative Assembly
26 related to public health not later than April 1, 2023.

27 (6) The [authority] **department** shall submit, in the manner provided in ORS 192.245, a report
28 that includes a final evaluation and synthesis of the topics described in subsections (2) and (4) of this
29 section and a final analysis, including the findings and recommendations described in subsections (3)
30 and (5) of this section, to an interim committee of the Legislative Assembly related to public health
31 not later than September 1, 2023.

32 (7) In order to perform the studies described in subsections (2) and (4) of this section and pre-
33 pare the reports described in subsections (3), (5) and (6) of this section, the [authority] **department**
34 shall contract with an independent third-party consultant with experience in performing public
35 health after-action studies and preparing reports. The consultant shall perform the studies in part-
36 nership with urban, rural, frontier, small and large counties in this state, and shall perform all as-
37 sessments as a neutral party.

38 **SECTION 1773.** Section 1, chapter 106, Oregon Laws 2022, is amended to read:

39 **Sec. 1.** (1) The Department of Consumer and Business Services, the Employment Department
40 and the Oregon [Health Authority] **Department of Health** shall enter into an intergovernmental
41 agreement, as authorized under ORS 190.110, for the purpose of sharing information necessary to
42 enable the Department of Consumer and Business Services to inform beneficiaries of their rights
43 under ORS 656.204.

44 (2) The information shared by the Oregon [Health Authority] **Department of Health** under this
45 section shall be the minimum necessary for the purpose set forth in subsection (1) of this section

1 and is limited to information regarding deaths from COVID-19 associated with workplace outbreaks
2 published by the [authority] **department**.

3 **SECTION 1774.** Section 13, chapter 653, Oregon Laws 1991, as amended by section 233, chapter
4 900, Oregon Laws 2001, and section 1152, chapter 595, Oregon Laws 2009, is amended to read:

5 **Sec. 13.** As used in sections 12 to 14, chapter 653, Oregon Laws 1991:

6 (1) “Facility approved by the Oregon [Health Authority] **Department of Health**” means a facil-
7 ity for which there is a license, permit, letter of agreement or other means by which the state offi-
8 cially accepts the treatment, storage, recycling, incineration or disposal method for radioactive
9 material.

10 (2) “Radioactive material” means any radioactive waste or other radioactive material resulting
11 from activities of the federal government, the United States Nuclear Regulatory Commission or its
12 licensees or licensees of a state that has entered into an agreement under 42 U.S.C. 2021 and that
13 satisfies the definition of low-level radioactive waste in the federal Low-Level Radioactive Waste
14 Policy Act, 42 U.S.C. 2021b(9)(a), as of January 1, 1989. “Radioactive material” does not include
15 naturally occurring radionuclides, uranium mill tailings or high-level radioactive waste.

16 **SECTION 1775.** Section 14, chapter 653, Oregon Laws 1991, as amended by section 234, chapter
17 900, Oregon Laws 2001, and section 1153, chapter 595, Oregon Laws 2009, is amended to read:

18 **Sec. 14.** Notwithstanding any declaration by the federal government that certain radioactive
19 material may be exempt from regulatory control or below regulatory concern, no radioactive mate-
20 rial may be recycled, incinerated or disposed of in Oregon except at a facility approved by the
21 Oregon [Health Authority] **Department of Health** specifically for the recycling, incineration or
22 disposal of radioactive material.

23 **SECTION 1776.** Section 4, chapter 220, Oregon Laws 2011, as amended by section 4, chapter
24 107, Oregon Laws 2012, is amended to read:

25 **Sec. 4.** (1) ORS [431.862 and 431.864] **431A.675 and 431A.680** become operative on the date that
26 the Office of the Legislative Counsel receives written notice from the Oregon [Health Authority]
27 **Department of Health** indicating that the [authority] **department** has received an amount of
28 moneys under ORS [431.866] **431A.685** that is sufficient to carry out the provisions of ORS
29 [431.862] **431A.675**.

30 (2) The [authority] **department** may take the actions described in ORS [431.866] **431A.685** before
31 the operative date specified in subsection (1) of this section to obtain the moneys necessary to carry
32 out the provisions of ORS [431.862] **431A.675**.

33 (3) Until the operative date specified in subsection (1) of this section, the [authority] **department**
34 shall report on the actions taken by the [authority] **department** pursuant to ORS [431.866] **431A.685**
35 to the Joint Committee on Ways and Means at least once during an odd-numbered year regular
36 session of the Legislative Assembly.

37 **SECTION 1777.** Section 1, chapter 716, Oregon Laws 2011, as amended by section 17, chapter
38 530, Oregon Laws 2021, is amended to read:

39 **Sec. 1.** (1) The Oregon [Health Authority] **Department of Health** may approve pilot projects to
40 encourage the development of innovative practices in oral health care delivery systems with a focus
41 on providing care to populations that evidence-based studies have shown have the highest disease
42 rates and the least access to dental care. The [authority] **department** may approve a pilot project
43 that is designed to:

44 (a) Operate for three to five years or a sufficient amount of time to evaluate the validity of the
45 pilot project;

- 1 (b) Evaluate quality of care, access, cost, workforce and efficacy; and
 2 (c) Achieve at least one of the following:
 3 (A) Teach new skills to existing categories of dental personnel;
 4 (B) Develop new categories of dental personnel;
 5 (C) Accelerate the training of existing categories of dental personnel; or
 6 (D) Teach new oral health care roles to previously untrained persons.
 7 (2) The [authority] **department** shall adopt rules:
 8 (a) Establishing an application process for pilot projects;
 9 (b) Establishing minimum standards, guidelines and instructions for pilot projects; and
 10 (c) Requiring an approved pilot project to report to the [authority] **department** on the progress
 11 and outcomes of the pilot project, including:
 12 (A) The process used to evaluate the progress and outcomes of the pilot project;
 13 (B) The baseline data and information to be collected;
 14 (C) The nature of program data that will be collected and the methods for collecting and ana-
 15 lyzing the data;
 16 (D) The provisions for protecting the safety of patients seen or treated in the project; and
 17 (E) A statement of previous experience in providing related health care services.
 18 (3) The [authority] **department** shall seek the advice of appropriate professional societies and
 19 licensing boards before adopting rules under subsection (2) of this section.
 20 (4)(a) Notwithstanding ORS 679.020 and 680.020, a person may practice dentistry, dental hygiene
 21 or dental therapy without a license as part of a pilot project approved under this section under the
 22 general supervision of a dentist licensed under ORS chapter 679 and in accordance with rules
 23 adopted by the [authority] **department**.
 24 (b) A person practicing dentistry, dental hygiene or dental therapy without a license under this
 25 section is subject to the same standard of care and is entitled to the same immunities as a person
 26 performing the services with a license.
 27 (5) The [authority] **department** may accept gifts, grants or contributions from any public or
 28 private source for the purpose of carrying out this section. Funds received under this subsection
 29 shall be deposited in the Dental Pilot Projects Fund established under section 17, chapter 716,
 30 Oregon Laws 2011.
 31 **SECTION 1778.** Section 17, chapter 716, Oregon Laws 2011, as amended by section 2, chapter
 32 113, Oregon Laws 2013, is amended to read:
 33 **Sec. 17.** The Dental Pilot Projects Fund is established in the State Treasury, separate and dis-
 34 tinct from the General Fund. Interest earned by the Dental Pilot Projects Fund shall be credited
 35 to the fund. Moneys in the fund are continuously appropriated to the Oregon [Health Authority]
 36 **Department of Health** for the purposes of carrying out the provisions of section 1, chapter 716,
 37 Oregon Laws 2011.
 38 **SECTION 1779.** Section 2, chapter 771, Oregon Laws 2013, as amended by section 9, chapter
 39 674, Oregon Laws 2015, and section 11, chapter 284, Oregon Laws 2019, is amended to read:
 40 **Sec. 2.** (1) As used in this section and section 3a, chapter 771, Oregon Laws 2013:
 41 (a)(A) “Applied behavior analysis” means the design, implementation and evaluation of environ-
 42 mental modifications, using behavioral stimuli and consequences, to produce significant improvement
 43 in human social behavior, including the use of direct observation, measurement and functional
 44 analysis of the relationship between environment and behavior, that is provided by:
 45 (i) A licensed health care professional as defined in ORS 676.802;

- 1 (ii) A behavior analyst or assistant behavior analyst licensed under ORS 676.810; or
- 2 (iii) A behavior analysis interventionist registered under ORS 676.815 who receives ongoing
- 3 training and supervision by a licensed behavior analyst, by a licensed assistant behavior analyst or
- 4 by a licensed health care professional.

5 (B) “Applied behavior analysis” does not mean psychological testing, neuropsychology,

6 psychotherapy, cognitive therapy, sex therapy, psychoanalysis, hypnotherapy and long-term coun-

7 seling as treatment modalities.

8 (b) “Autism spectrum disorder” has the meaning given that term in the fifth edition of the Di-

9 agnostic and Statistical Manual of Mental Disorders (DSM-5) published by the American Psychiatric

10 Association.

11 (c) “Diagnosis” means medically necessary assessment, evaluation or testing.

12 (d) “Health benefit plan” has the meaning given that term in ORS 743B.005.

13 (e) “Medically necessary” means in accordance with the definition of medical necessity that is

14 specified in the policy or certificate for the health benefit plan and that applies to all covered ser-

15 vices under the plan.

16 (f) “Treatment for autism spectrum disorder” includes applied behavior analysis for up to 25

17 hours per week and any other mental health or medical services identified in the individualized

18 treatment plan, as described in subsection (6) of this section.

19 (2) A health benefit plan shall provide coverage of:

20 (a) The screening for and diagnosis of autism spectrum disorder by a licensed neurologist,

21 pediatric neurologist, developmental pediatrician, psychiatrist or psychologist, who has experience

22 or training in the diagnosis of autism spectrum disorder; and

23 (b) Medically necessary treatment for autism spectrum disorder and the management of care, for

24 an individual who begins treatment before nine years of age, subject to the requirements of this

25 section.

26 (3) This section does not require coverage for:

27 (a) Services provided by a family or household member;

28 (b) Services that are custodial in nature or that constitute marital, family, educational or

29 training services;

30 (c) Custodial or respite care, equine assisted therapy, creative arts therapy, wilderness or ad-

31 venture camps, social counseling, telemedicine, music therapy, neurofeedback, chelation or

32 hyperbaric chambers;

33 (d) Services provided under an individual education plan in accordance with the Individuals with

34 Disabilities Education Act, 20 U.S.C. 1400 et seq.;

35 (e) Services provided through community or social programs; or

36 (f) Services provided by the Department of Human Services or the Oregon [*Health Authority*]

37 **Department of Health**, other than employee benefit plans offered by the [*department and the au-*

38 *thority*] **Department of Human Services and the Oregon Department of Health**.

39 (4) An insurer may not terminate coverage or refuse to issue or renew coverage for an individ-

40 ual solely because the individual has received a diagnosis of autism spectrum disorder or has re-

41 ceived treatment for autism spectrum disorder.

42 (5) Coverage under this section may be subject to utilization controls that are reasonable in the

43 context of individual determinations of medical necessity. An insurer may require:

44 (a) An autism spectrum disorder diagnosis by a professional described in subsection (2)(a) of this

45 section if the original diagnosis was not made by a professional described in subsection (2)(a) of this

1 section.

2 (b) Prior authorization for coverage of a maximum of 25 hours per week of applied behavior
3 analysis recommended in an individualized treatment plan approved by a professional described in
4 subsection (2)(a) of this section for an individual with autism spectrum disorder, as long as the
5 insurer makes a prior authorization determination no later than 30 calendar days after receiving the
6 request for prior authorization, notwithstanding ORS 743B.423.

7 (6) If an individual is receiving applied behavior analysis, an insurer may require submission of
8 an individualized treatment plan, which shall include all elements necessary for the insurer to ap-
9 propriately determine coverage under the health benefit plan. The individualized treatment plan
10 must be based on evidence-based screening criteria. An insurer may require an updated individual-
11 ized treatment plan, not more than once every six months, that includes observed progress as of the
12 date the updated plan was prepared, for the purpose of performing utilization review and medical
13 management. The insurer may require the individualized treatment plan to be approved by a pro-
14 fessional described in subsection (2)(a) of this section, and to include the:

15 (a) Diagnosis;

16 (b) Proposed treatment by type;

17 (c) Frequency and anticipated duration of treatment;

18 (d) Anticipated outcomes stated as goals, including specific cognitive, social, communicative,
19 self-care and behavioral goals that are clearly stated, directly observed and continually measured
20 and that address the characteristics of the autism spectrum disorder; and

21 (e) Signature of the treating provider.

22 (7)(a) Once coverage for applied behavior analysis has been approved, the coverage continues
23 as long as:

24 (A) The individual continues to make progress toward the majority of the goals of the individ-
25 ualized treatment plan; and

26 (B) Applied behavior analysis is medically necessary.

27 (b) An insurer may require periodic review of an individualized treatment plan, as described in
28 subsection (6) of this section, and modification of the individualized treatment plan if the review
29 shows that the individual receiving the treatment is not making substantial clinical progress toward
30 the goals of the individualized treatment plan.

31 (8) Coverage under this section may be subject to requirements and limitations no more re-
32 strictive than those imposed on coverage or reimbursement of expenses arising from the treatment
33 of other medical conditions under the policy or certificate, including but not limited to:

34 (a) Requirements and limitations regarding in-network providers; and

35 (b) Provisions relating to deductibles, copayments and coinsurance.

36 (9) This section applies to coverage for up to 25 hours per week of applied behavior analysis for
37 an individual if the coverage is first requested when the individual is under nine years of age. This
38 section does not limit coverage for any services that are otherwise available to an individual under
39 ORS 743A.168 or 743A.190, including but not limited to:

40 (a) Treatment for autism spectrum disorder other than applied behavior analysis or the services
41 described in subsection (3) of this section;

42 (b) Applied behavior analysis for more than 25 hours per week; or

43 (c) Applied behavior analysis for an individual if the coverage is first requested when the indi-
44 vidual is nine years of age or older.

45 (10) Coverage under this section includes treatment for autism spectrum disorder provided in the

1 individual's home or a licensed health care facility or, for treatment provided by a licensed health
 2 care professional as defined in ORS 676.802 or a behavior analyst or assistant behavior analyst li-
 3 censed under ORS 676.810, in a setting approved by the health care professional, behavior analyst
 4 or assistant behavior analyst.

5 (11) An insurer that provides coverage of applied behavior analysis in accordance with a deci-
 6 sion of an independent review organization that was made prior to January 1, 2016, shall continue
 7 to provide coverage, subject to modifications made in accordance with subsection (7) of this section.

8 (12) ORS 743A.001 does not apply to this section.

9 **SECTION 1780.** Section 1, chapter 93, Oregon Laws 2014, as amended by section 6, chapter 74,
 10 Oregon Laws 2016, section 1, chapter 685, Oregon Laws 2019, and section 3, chapter 574, Oregon
 11 Laws 2021, is amended to read:

12 **Sec. 1.** (1) The Task Force on School Safety is established, consisting of 23 members as follows:

13 (a) The Superintendent of State Police or the superintendent's designee.

14 (b) The Director of the Department of Public Safety Standards and Training or the director's
 15 designee.

16 (c) The Governor's Public Safety Policy Advisor.

17 (d) The Governor's Education Policy Advisor.

18 (e) The President of the Senate shall appoint one member from among members of the Senate.

19 (f) The Speaker of the House of Representatives shall appoint one member from among members
 20 of the House of Representatives.

21 (g) The Governor shall appoint 17 members as follows:

22 (A) A member of the Oregon State Sheriffs' Association;

23 (B) A member of the Oregon Association Chiefs of Police;

24 (C) A member of the Oregon Fire Chiefs Association;

25 (D) A member of the Oregon Education Association;

26 (E) A member of the Oregon School Employees Association;

27 (F) A member of the Oregon School Boards Association;

28 (G) A member of the Oregon Association of Education Service Districts;

29 (H) A member of the Coalition of Oregon School Administrators;

30 (I) A member representing the Department of Education;

31 (J) A member of the Association of Oregon Community Mental Health Programs;

32 (K) A member of the Oregon *[Health Authority]* **Department of Health**;

33 (L) A member of the Oregon Department of Emergency Management; and

34 (M) Five members who represent historically, traditionally and currently disadvantaged or
 35 underrepresented groups.

36 (2) Members of the Legislative Assembly appointed to the task force are nonvoting members of
 37 the task force and may act in an advisory capacity only.

38 (3) The task force shall:

39 (a) Examine existing and emerging issues related to school safety using an all-hazards and
 40 equity-driven approach that is responsive to current safety needs;

41 (b) Examine existing and emerging models of education and training programs for law enforce-
 42 ment officials, other first responders and school employees in the areas of school safety, security
 43 and emergency management; and

44 (c) Examine existing and emerging models for protocols for school safety, security and emer-
 45 gency management and consider to what extent standardizing protocols would be appropriate.

1 (4) A majority of the voting members of the task force constitutes a quorum for the transaction
2 of business.

3 (5) Official action by the task force requires the approval of a majority of the voting members
4 of the task force.

5 (6) The task force shall elect one of its members to serve as chairperson and one of its members
6 to serve as vice chairperson.

7 (7) If there is a vacancy for any cause, the appointing authority shall make an appointment to
8 become immediately effective.

9 (8) The task force shall meet at times and places specified by the call of the chairperson or of
10 a majority of the voting members of the task force. To the extent possible the task force shall meet
11 by telephone or video conference but may meet in person.

12 (9) The task force may adopt rules necessary for the operation of the task force.

13 (10) The task force shall submit annually by December 1 a report regarding its findings made
14 under subsection (3) of this section in the manner provided by ORS 192.245, and may include rec-
15 ommendations as appropriate, to an interim committee of the Legislative Assembly related to the
16 judiciary.

17 (11) A state agency that has a member on the task force shall provide staff support to the task
18 force.

19 (12) Members of the task force who are not employees of a state agency or members of the
20 Legislative Assembly are not entitled to compensation, but may be reimbursed for actual and nec-
21 essary travel and other expenses incurred by them in the performance of their official duties in the
22 manner and amounts provided for in ORS 292.495. Claims for expenses incurred in performing func-
23 tions of the task force shall be paid out of funds appropriated to the Department of State Police for
24 purposes of the task force.

25 (13) All agencies of state government, as defined in ORS 174.111, are directed to assist the task
26 force in the performance of its duties and, to the extent permitted by laws relating to confidentiality,
27 to furnish such information and advice as the members of the task force consider necessary to per-
28 form their duties.

29 **SECTION 1781.** Section 1, chapter 575, Oregon Laws 2015, as amended by section 12, chapter
30 489, Oregon Laws 2017, is amended to read:

31 **Sec. 1.** (1) As used in this section:

32 (a) "Carrier" means an insurer that offers a health benefit plan, as defined in ORS 743B.005.

33 (b) "Prominent carrier" means:

34 (A) A carrier with annual premium income at a threshold, of no less than \$50 million, estab-
35 lished by the Department of Consumer and Business Services by rule.

36 (B) The Public Employees' Benefit Board.

37 (C) The Oregon Educators Benefit Board.

38 (2) All prominent carriers shall, and carriers other than prominent carriers may, report to the
39 Department of Consumer and Business Services, no later than October 1 of each year, the proportion
40 of the carrier's total medical expenses that are allocated to primary care.

41 (3) The Department of **Consumer and Business Services** shall share with the Oregon [*Health*
42 *Authority*] **Department of Health** the information reported so that the [*authority*] **Oregon De-**
43 **partment of Health** may prepare the evaluation and report described in section 2, chapter 575,
44 Oregon Laws 2015.

45 (4) The Department of **Consumer and Business Services**, in collaboration with the [*authority*]

1 **Oregon Department of Health**, shall adopt rules prescribing the primary care services for which
2 costs must be reported under subsection (2) of this section.

3 **SECTION 1782.** Section 2, chapter 575, Oregon Laws 2015, as amended by section 1, chapter
4 384, Oregon Laws 2017, and section 13, chapter 489, Oregon Laws 2017, is amended to read:

5 **Sec. 2.** (1) As used in this section:

6 (a) “Carrier” means an insurer that offers a health benefit plan, as defined in ORS 743B.005.

7 (b) “Coordinated care organization” has the meaning given that term in ORS 414.025.

8 (c) “Primary care” means family medicine, general internal medicine, naturopathic medicine,
9 obstetrics and gynecology, pediatrics or general psychiatry.

10 (d) “Primary care provider” includes:

11 (A) A physician, naturopath, nurse practitioner, physician assistant or other health professional
12 licensed or certified in this state, whose clinical practice is in the area of primary care.

13 (B) A health care team or clinic that has been certified by the Oregon [*Health Authority*] **De-**
14 **partment of Health** as a patient centered primary care home.

15 (2)(a) The Oregon [*Health Authority*] **Department of Health** shall convene a primary care pay-
16 ment reform collaborative to advise and assist in the implementation of a Primary Care Transfor-
17 mation Initiative to:

18 (A) Use value-based payment methods that are not paid on a per claim basis to:

19 (i) Increase the investment in primary care;

20 (ii) Align primary care reimbursement by all purchasers of care; and

21 (iii) Continue to improve reimbursement methods, including by investing in the social determi-
22 nants of health;

23 (B) Increase investment in primary care without increasing costs to consumers or increasing the
24 total cost of health care;

25 (C) Provide technical assistance to clinics and payers in implementing the initiative;

26 (D) Aggregate the data from and align the metrics used in the initiative with the work of the
27 Health Plan Quality Metrics Committee established in ORS 413.017;

28 (E) Facilitate the integration of primary care behavioral and physical health care; and

29 (F) Ensure that the goals of the initiative are met by December 31, 2027.

30 (b) The collaborative is a governing body, as defined in ORS 192.610.

31 (3) The [*authority*] **Oregon Department of Health** shall invite representatives from all of the
32 following to participate in the primary care payment reform collaborative:

33 (a) Primary care providers;

34 (b) Health care consumers;

35 (c) Experts in primary care contracting and reimbursement;

36 (d) Independent practice associations;

37 (e) Behavioral health treatment providers;

38 (f) Third party administrators;

39 (g) Employers that offer self-insured health benefit plans;

40 (h) The Department of Consumer and Business Services;

41 (i) Carriers;

42 (j) A statewide organization for mental health professionals who provide primary care;

43 (k) A statewide organization representing federally qualified health centers;

44 (L) A statewide organization representing hospitals and health systems;

45 (m) A statewide professional association for family physicians;

1 (n) A statewide professional association for physicians;

2 (o) A statewide professional association for nurses; and

3 (p) The Centers for Medicare and Medicaid Services.

4 (4) The primary care payment reform collaborative shall annually report to the Oregon Health
5 Policy Board and to the Legislative Assembly on the achievement of the primary care spending
6 targets in ORS [414.625] **414.572** and 743.010 and the implementation of the Primary Care Transfor-
7 mation Initiative.

8 (5) A coordinated care organization shall report to the [authority] **Oregon Department of**
9 **Health**, no later than October 1 of each year, the proportion of the organization's total medical
10 costs that are allocated to primary care.

11 (6) The [authority] **Oregon Department of Health**, in collaboration with the Department of
12 Consumer and Business Services, shall adopt rules prescribing the primary care services for which
13 costs must be reported under subsection (5) of this section.

14 **SECTION 1783.** Section 3, chapter 575, Oregon Laws 2015, as amended by section 7, chapter
15 26, Oregon Laws 2016, is amended to read:

16 **Sec. 3.** No later than February 1 of each year, the Oregon [Health Authority] **Department of**
17 **Health** and the Department of Consumer and Business Services shall report to the Legislative As-
18 sembly, in the manner provided in ORS 192.245:

19 (1) The percentage of the medical expenses of carriers, coordinated care organizations, the
20 Public Employees' Benefit Board and the Oregon Educators Benefit Board that is allocated to pri-
21 mary care; and

22 (2) How carriers, coordinated care organizations, the Public Employees' Benefit Board and the
23 Oregon Educators Benefit Board pay for primary care.

24 **SECTION 1784.** Section 4, chapter 575, Oregon Laws 2015, is amended to read:

25 **Sec. 4.** (1) The Legislative Assembly declares that collaboration among insurers, purchasers and
26 providers of health care to coordinate service delivery systems and develop innovative reimburse-
27 ment methods in support of integrated and coordinated health care delivery is in the best interest
28 of the public. The Legislative Assembly therefore declares its intent to exempt from state antitrust
29 laws, and to provide immunity from federal antitrust laws through the state action doctrine, the
30 activities specified in section 2 (2), **chapter 575, Oregon Laws 2015** [of this 2015 Act], of the par-
31 ticipants in the primary care payment reform collaborative, that might otherwise be constrained by
32 such laws.

33 (2) The Director of the Oregon [Health Authority] **Department of Health** or the director's
34 designee shall engage in state supervision of the primary care payment reform collaborative to en-
35 sure that the activities and discussions of the participants in the collaborative are limited to the
36 activities described in section 2 (2), **chapter 575, Oregon Laws 2015** [of this 2015 Act].

37 (3) Groups that include, but are not limited to, health insurance companies, health care centers,
38 hospitals, health service organizations, employers, health care providers, health care facilities, state
39 and local governmental entities and consumers may meet to facilitate the development, implemen-
40 tation and operation of the Primary Care Transformation Initiative in accordance with section 2,
41 **chapter 575, Oregon Laws 2015** [of this 2015 Act].

42 (4) The Oregon [Health Authority] **Department of Health** may conduct a survey of the entities
43 and individuals specified in subsection (3) of this section to assist in the evaluation of the Primary
44 Care Transformation Initiative.

45 (5) A survey or meeting under subsection (3) or (4) of this section is not a violation of state

1 antitrust laws and shall be considered state action for purposes of federal antitrust laws through the
2 state action doctrine.

3 **SECTION 1785.** Section 115, chapter 736, Oregon Laws 2015, as amended by section 1, chapter
4 627, Oregon Laws 2017, and section 1, chapter 243, Oregon Laws 2021, is amended to read:

5 **Sec. 115.** (1) The Oregon [*Health Authority*] **Department of Health** shall:

6 (a) Adopt the initial statewide public health modernization assessment and develop the initial
7 statewide public health modernization plan as required by ORS 431.115; and

8 (b) Subject to subsection (2) of this section, establish a schedule by which local public health
9 authorities, as defined in ORS 431.003, shall submit local plans for applying the foundational capa-
10 bilities established under ORS 431.131 and implementing the foundational programs established un-
11 der ORS 431.141 as required by ORS 431.417.

12 (2) The schedule established under subsection (1)(b) of this section must require that all local
13 public health authorities first submit local plans implementing ORS 431.131 and 431.141 on or before
14 December 31, 2025.

15 (3) In consultation with local public health authorities, the Oregon [*Health Authority*] **Depart-**
16 **ment of Health** may modify the schedule established under subsection (1)(b) of this section to re-
17 quire local public health authorities to apply foundational capabilities and implement foundational
18 programs over a period of time, provided that all local public health authorities submit local plans
19 for applying all foundational capabilities and implementing all foundational programs no later than
20 December 31, 2025.

21 **SECTION 1786.** Section 2, chapter 842, Oregon Laws 2015, is amended to read:

22 **Sec. 2.** A provider of dental services in a dental pilot project approved by the Oregon [*Health*
23 *Authority*] **Department of Health** pursuant to section 1, chapter 716, Oregon Laws 2011, is eligible
24 to be reimbursed for covered services provided to a recipient of medical assistance.

25 **SECTION 1787.** Section 6, chapter 281, Oregon Laws 2017, is amended to read:

26 **Sec. 6.** (1) The Oregon [*Health Authority*] **Department of Health** shall provide to the Oregon
27 Health Policy Board and the Oregon Public Health Advisory Board, and shall make available free
28 of charge on the primary website operated by or on behalf of the [*authority*] **department**, a report
29 on the status of doulas in this state. The report must include, but not be limited to, information on:

30 (a) The number of claims for reimbursement of doulas submitted to the [*authority*] **department**
31 and the percentage of those claims that are reimbursed;

32 (b) Any barriers experienced by doulas to accessing the claims process;

33 (c) The annual increase or decrease in the number of doulas listed on a registry managed by the
34 [*authority*] **department**;

35 (d) The demographics of the registry of doulas managed by the [*authority*] **department**;

36 (e) Doula training or certification programs offered in this state;

37 (f) The relationship between the registry of doulas managed by the [*authority*] **department** and
38 the perceived doula workforce need; and

39 (g) Recommendations on achieving cultural specificity goals for doula services.

40 (2) The [*authority*] **department** shall provide the report required by subsection (1) of this section
41 annually beginning on September 15, 2018.

42 **SECTION 1788.** Section 3, chapter 489, Oregon Laws 2017, is amended to read:

43 **Sec. 3.** (1) As used in this section, “primary care” has the meaning given that term in section
44 2, chapter 575, Oregon Laws 2015.

45 (2) A coordinated care organization that spends on primary care less than 12 percent of its total

1 expenditures on physical and mental health care, as required by ORS [414.625] **414.572** (1)(c), shall
 2 submit to the Oregon [*Health Authority*] **Department of Health** a plan to increase spending on
 3 primary care as a percentage of its total expenditures by at least one percent each year.

4 **SECTION 1789.** Section 2, chapter 538, Oregon Laws 2017, is amended to read:

5 **Sec. 2.** (1) The Health System Fund is established in the State Treasury, separate and distinct
 6 from the General Fund. Interest earned by the Health System Fund shall be credited to the fund.

7 (2) Amounts in the Health System Fund are continuously appropriated to the Department of
 8 Consumer and Business Services for the purposes of:

9 (a) Administering the Oregon Reinsurance Program established in section 18, **chapter 538,**
 10 **Oregon Laws 2017** [*of this 2017 Act*]; and

11 (b) Transferring moneys to the Oregon [*Health Authority*] **Department of Health** to:

12 (A) Provide medical assistance and other health services under ORS chapter 414.

13 (B) Pay refunds due under **ORS 414.882** [*section 11 of this 2017 Act*].

14 (C) Pay administrative costs incurred by the [*authority*] **Oregon Department of Health** to ad-
 15 minister the assessment described in **ORS 414.880** [*section 9 of this 2017 Act*].

16 **SECTION 1790.** Section 3, chapter 544, Oregon Laws 2019, is amended to read:

17 **Sec. 3.** (1) As used in this section, “mental health drug” means a type of legend drug defined
 18 by the Oregon [*Health Authority*] **Department of Health** by rule that includes but is not limited to:

19 (a) Therapeutic class 7 ataractics-tranquilizers; and

20 (b) Therapeutic class 11 psychostimulants-antidepressants.

21 (2) Notwithstanding ORS 414.334, the [*authority*] **department** shall reimburse the cost of a
 22 mental health drug prescribed for a medical assistance recipient if federal financial participation in
 23 the cost is available.

24 **SECTION 1791.** Section 2, chapter 574, Oregon Laws 2019, is amended to read:

25 **Sec. 2.** (1) As used in this section:

26 (a) “Coordinated care organization” has the meaning given that term in ORS 414.025.

27 (b) “TANF” means aid or services provided in the temporary assistance for needy families pro-
 28 gram under ORS 412.006.

29 (2) The Oregon [*Health Authority*] **Department of Health**, in consultation with the Department
 30 of Human Services, shall administer a Mental and Behavioral Health Pilot Program to award grants
 31 to up to four coordinated care organizations for the purpose of assessing potential gaps in access
 32 by TANF recipients to mental and behavioral health services and to drug and alcohol treatment
 33 services through the state medical assistance program.

34 (3) The [*authority*] **Oregon Department of Health**, in consultation with the Department of
 35 **Human Services**, shall:

36 (a) Select at least one coordinated care organization serving rural areas and at least one coor-
 37 dinated care organization serving urban areas to participate in the pilot program; and

38 (b) Adopt by rule application procedures and eligibility requirements for grant recipients, in-
 39 cluding, but not limited to, a demonstrated commitment to partner with local offices of the Depart-
 40 ment of Human Services, hospitals and health systems that are located in the geographic area
 41 served by the coordinated care organization.

42 (4) At a minimum, grant recipients shall develop and implement a:

43 (a) Survey or assessment process to identify TANF applicants with a need for mental health or
 44 substance abuse services;

45 (b) Process to refer TANF recipients with identified needs for services to the level of care ap-

1 appropriate to their need; and

2 (c) Process for tracking the results of the referrals.

3 (5) A coordinated care organization that receives a grant from the pilot program shall collect
4 and report to the [authority] **Oregon Department of Health**, in the manner prescribed by the [au-
5 thority] **department**, the following information:

6 (a) The number of TANF recipients screened for mental health or substance abuse services;

7 (b) The number of TANF recipients with an identified need for mental health or substance abuse
8 services; and

9 (c) For TANF recipients with an identified need for mental health or substance abuse services:

10 (A) The number of TANF recipients referred by the coordinated care organization for mental
11 health or substance abuse services;

12 (B) The number of referrals that resulted in a visit with a health care provider and the time that
13 elapsed between the referral and the visit;

14 (C) Whether the TANF recipient was enrolled in a patient-centered primary care home at the
15 time of the visit or as a result of the visit;

16 (D) The number of TANF recipients for whom a treatment plan was established or who had a
17 follow-up appointment with a primary health care provider and the services provided;

18 (E) Other factors indicating that the TANF recipient accessed appropriate services in a timely
19 manner; and

20 (F) The barriers faced by the TANF recipients in accessing the services identified in their
21 treatment plans.

22 (6) The pilot program shall begin on or after February 1, 2020.

23 (7) The [authority] **Oregon Department of Health**, in consultation with the Department of
24 **Human Services**, shall evaluate the effectiveness of the pilot program based on the information
25 reported by coordinated care organizations under subsection (6) of this section and based on the
26 evaluation shall:

27 (a) Develop educational materials containing best practices learned from the pilot program and
28 make the materials available to coordinated care organizations; and

29 (b) No later than March 30, 2022, report to the interim committees of the Legislative Assembly
30 related to health on the need for mental health and substance abuse services and provide an as-
31 sessment of the barriers faced by TANF recipients in accessing mental health or substance abuse
32 treatment and services through the state medical assistance program and make recommendations for
33 legislative changes necessary to address the barriers and meet the need.

34 **SECTION 1792.** Section 1, chapter 601, Oregon Laws 2019, as amended by section 18, chapter
35 191, Oregon Laws 2021, is amended to read:

36 **Sec. 1.** (1) The Oregon [Health Authority] **Department of Health**, in consultation with the De-
37 partment of Education, shall select 10 school districts or education service districts to receive
38 planning grants for district planning and technical assistance. Each district receiving a grant, be-
39 ginning on or after July 1, 2019, and concluding before July 1, 2021, shall:

40 (a) Evaluate the need for school-based health services in their respective communities; and

41 (b) Develop a plan that addresses the need identified in paragraph (a) of this subsection by
42 drafting a proposal for a school-based health center as defined in ORS 413.225 or by designing a pilot
43 program as described in subsection (5)(b) of this section to test an alternative approach to providing
44 school-based health services.

45 (2) Each grantee shall consult with a nonprofit organization with experience in organizing

1 community projects, or a local organization that coordinates with a statewide nonprofit organiza-
2 tion, to facilitate the planning process and to provide technical assistance.

3 (3) Each grantee shall solicit community participation in the planning process, including the
4 participation of the local public health authority, any federally qualified health centers located in
5 the district, a regional health equity coalition, if any, serving the district and every coordinated care
6 organization with members residing in the district.

7 (4) The Oregon [*Health Authority*] **Department of Health** may contract with a statewide
8 nonprofit organization with experience in supporting school-based health centers to create tools and
9 provide support to grantees during the community engagement and planning process.

10 (5) At the conclusion of the two-year planning process, the [*authority*] **Oregon Department of**
11 **Health** shall select up to 10 entities in respective grantee school districts or education service dis-
12 tricts to receive operating funds to either:

13 (a) Open a state-certified school-based health center, based on a school-based health center
14 funding formula; or

15 (b) Pilot, for a five-year period, an approach to providing school-based health services as an al-
16 ternative model to the school-based health center model. The alternative approach pilot programs
17 may be designed to focus services on a specific community need, such as a need for mental health
18 services, school nursing services, dental services, primary care or trauma-informed services, and
19 may:

20 (A) Involve a partnership with a coordinated care organization, a federally qualified health
21 center, a local public health authority or another major medical sponsor; and

22 (B) Identify a process for billing insurance, medical assistance or another third-party payer, or
23 identify other funding, for the cost of services.

24 (6) By the end of the fourth year of the five-year period described in subsection (5)(b) of this
25 section:

26 (a) Each school district or education service district piloting an alternative approach to pro-
27 viding school-based health services either commits to establish a school-based health center or pro-
28 poses an alternative model to the [*authority*] **Oregon Department of Health** and the Legislative
29 Assembly.

30 (b) The [*authority*] **department** may use the data collected and the recommendations of the
31 school districts to adopt rules establishing flexible, outcome-based criteria for certification of the
32 alternative approaches developed and implemented by the grantees piloting alternative models under
33 subsection (5)(b) of this section.

34 (7) As used in this section, “regional health equity coalition” means a coalition that:

35 (a) Is independent of coordinated care organizations and government agencies, community-led,
36 cross-sector and focused on addressing rural and urban health inequities for communities of color,
37 Oregon’s federally recognized Indian tribes, immigrants, refugees, migrant and seasonal farm work-
38 ers, low-income populations, persons with disabilities and persons who are lesbian, gay, bisexual,
39 transgender or questioning, with communities of color as the priority;

40 (b) May include as member organizations a federally recognized Indian tribe, a culturally spe-
41 cific organization, a social service provider, a health care organization, a public health research
42 organization, a behavioral health organization, a private foundation or a faith-based organization;

43 (c) Develops governance structures that include members of communities impacted by health
44 inequities;

45 (d) Has a decision-making body on which more than half of the persons are self-identified per-

1 sons of color and more than half of the persons experience health inequities;

2 (e) Prioritizes selection of organizational representatives who are self-identified persons of color
3 or have a role related to health equity;

4 (f) Operates on a model that honors community wisdom by promoting solutions that build on
5 community strengths and recognizes the impact of structural, institutional and interpersonal racism
6 on the health and well-being of communities of color; and

7 (g) Focuses on:

8 (A) Meaningful community engagement;

9 (B) Coalition building, developing a governance structure for the coalition and creating operat-
10 ing systems for the daily and long term functioning of the coalition led by individuals with demon-
11 strated leadership and expertise in promoting and improving health equity;

12 (C) Building capacity and leadership among coalition members, staff and decision-making bodies
13 to address health equity and the social determinants of health; and

14 (D) Developing and advocating for policy, system and environmental changes to improve health
15 equity in this state.

16 **SECTION 1793.** Section 2, chapter 245, Oregon Laws 2021, is amended to read:

17 **Sec. 2.** (1) [*Section 1 of this 2021 Act*] **ORS 336.473** becomes operative on July 1, 2025.

18 (2)(a) Notwithstanding the operative date set forth in subsection (1) of this section, the State
19 Board of Education, no later than September 1, 2024, shall adopt any health education content
20 standards necessary to enable school district compliance with the requirements of [*section 1 of this*
21 *2021 Act*] **ORS 336.473**. The standards shall prescribe the grades in which instruction in oral health
22 is provided to students.

23 (b) For the purpose of adopting health education content standards as provided by paragraph (a)
24 of this subsection, the board shall consult with:

25 (A) Dental health professionals who have experience working in public health and with children;
26 and

27 (B) The dental director appointed by the Oregon [*Health Authority*] **Department of Health**, or
28 the **dental** director's designee.

29 (3)(a) A school district must first offer instruction that meets the health education content
30 standards adopted under subsection (2) of this section no later than the 2025-2026 school year.

31 (b) Nothing in paragraph (a) of this subsection prevents a school district from first offering in-
32 struction that meets the requirements of [*section 1 of this 2021 Act*] **ORS 336.473** at any time before
33 the school year set forth in paragraph (a) of this subsection.

34 **SECTION 1794.** Section 2, chapter 467, Oregon Laws 2021, is amended to read:

35 **Sec. 2.** (1) As used in this section, "health equity" has the meaning prescribed by the Oregon
36 Health Policy Board and adopted by the Oregon [*Health Authority*] **Department of Health** by rule.

37 (2) The [*authority*] **department** shall seek approval from the Centers for Medicare and Medicaid
38 Services to:

39 (a) Require a coordinated care organization to spend up to three percent of its global budget
40 on investments:

41 (A)(i) In programs or services that improve health equity by addressing the preventable differ-
42 ences in the burden of disease, injury or violence or in opportunities to achieve optimal health that
43 are experienced by socially disadvantaged populations;

44 (ii) In community-based programs addressing the social determinants of health;

45 (iii) In efforts to diversify care locations; or

- 1 (iv) In programs or services that improve the overall health of the community; or
 2 (B) That enhance payments to:
 3 (i) Providers who address the need for culturally and linguistically appropriate services in their
 4 communities;
 5 (ii) Providers who can demonstrate that increased funding will improve health services provided
 6 to the community as a whole; or
 7 (iii) Support staff based in the community that aid all underserved populations, including but not
 8 limited to peer-to-peer support staff with cultural backgrounds, health system navigators in non-
 9 medical settings and public guardians.
 10 (b) Require a coordinated care organization to spend at least 30 percent of the funds described
 11 in paragraph (a) of this subsection on programs or efforts to achieve health equity for racial, cul-
 12 tural or traditionally underserved populations in the communities served by the coordinated care
 13 organization.
 14 (c) Require a coordinated care organization to spend at least 20 percent of the funds described
 15 in paragraph (a) of this subsection on efforts to:
 16 (A) Improve the behavioral health of members;
 17 (B) Improve the behavioral health care delivery system in the community served by the coordi-
 18 nated care organization;
 19 (C) Create a culturally and linguistically competent health care workforce; or
 20 (D) Improve the behavioral health of the community as a whole.
 21 (3) Expenditures described in subsection (2) of this section are in addition to the expenditures
 22 required by ORS 414.572 (1)(b)(C) and must:
 23 (a) Be part of a plan developed in collaboration with or directed by members of organizations
 24 or organizations that serve local priority populations that are underserved in communities served
 25 by the coordinated care organization, including but not limited to regional health equity coalitions,
 26 and be approved by the coordinated care organization’s community advisory council;
 27 (b) Demonstrate, through practice-based or community-based evidence, improved health out-
 28 comes for individual members of the coordinated care organization or the overall community served
 29 by the coordinated care organization;
 30 (c) Be expended from a coordinated care organization’s global budget with the least amount of
 31 state funding; and
 32 (d) Be counted as medical expenses by the [authority] **department** in a coordinated care
 33 organization’s base medical budget when calculating the coordinated care organization’s global
 34 budget and flexible spending requirements for a given year.
 35 (4) Expenditures by a coordinated care organization in working with one or more of the nine
 36 federally recognized tribes in this state or urban Indian health programs to achieve health equity
 37 may qualify as expenditures under subsection (2) of this section.
 38 (5) The [authority] **department** shall:
 39 (a) Make publicly available the outcomes described in subsection (3)(b) of this section; and
 40 (b) Report expenditures under subsection (2) of this section to the Centers for Medicare and
 41 Medicaid Services.
 42 (6) Upon receipt of approval from the Centers for Medicare and Medicaid Services to carry out
 43 the provisions of this section, the [authority] **department** shall adopt rules in accordance with the
 44 terms of the approval.

45 **SECTION 1795.** Section 2, chapter 467, Oregon Laws 2021, as amended by section 3, chapter

1 467, Oregon Laws 2021, is amended to read:

2 **Sec. 2.** (1) As used in this section, “health equity” has the meaning prescribed by the Oregon
3 Health Policy Board and adopted by the Oregon [*Health Authority*] **Department of Health** by rule.

4 (2) The [*authority*] **department** shall:

5 (a) Require a coordinated care organization to spend no less than three percent of its global
6 budget on investments:

7 (A)(i) In programs or services that improve health equity by addressing the preventable differ-
8 ences in the burden of disease, injury or violence or in opportunities to achieve optimal health that
9 are experienced by socially disadvantaged populations;

10 (ii) In community-based programs addressing the social determinants of health;

11 (iii) In efforts to diversify care locations; or

12 (iv) In programs or services that improve the overall health of the community; or

13 (B) That enhance payments to:

14 (i) Providers who address the need for culturally and linguistically appropriate services in their
15 communities;

16 (ii) Providers who can demonstrate that increased funding will improve health services provided
17 to the community as a whole; or

18 (iii) Support staff based in the community that aid all underserved populations, including but not
19 limited to peer-to-peer support staff with cultural backgrounds, health system navigators in non-
20 medical settings and public guardians.

21 (b) Require a coordinated care organization to spend at least 30 percent of the funds described
22 in paragraph (a) of this subsection on programs or efforts to achieve health equity for racial, cul-
23 tural or traditionally underserved populations in the communities served by the coordinated care
24 organization.

25 (c) Require a coordinated care organization to spend at least 20 percent of the funds described
26 in paragraph (a) of this subsection on efforts to:

27 (A) Improve the behavioral health of members;

28 (B) Improve the behavioral health care delivery system in the community served by the coordi-
29 nated care organization;

30 (C) Create a culturally and linguistically competent health care workforce; or

31 (D) Improve the behavioral health of the community as a whole.

32 (3) Expenditures described in subsection (2) of this section are in addition to the expenditures
33 required by ORS 414.572 (1)(b)(C) and must:

34 (a) Be part of a plan developed in collaboration with or directed by members of organizations
35 or organizations that serve local priority populations that are underserved in communities served
36 by the coordinated care organization, including but not limited to regional health equity coalitions,
37 and be approved by the coordinated care organization’s community advisory council;

38 (b) Demonstrate, through practice-based or community-based evidence, improved health out-
39 comes for individual members of the coordinated care organization or the overall community served
40 by the coordinated care organization;

41 (c) Be expended from a coordinated care organization’s global budget with the least amount of
42 state funding; and

43 (d) Be counted as medical expenses by the [*authority*] **department** in a coordinated care
44 organization’s base medical budget when calculating the coordinated care organization’s global
45 budget and flexible spending requirements for a given year.

1 (4) Expenditures by a coordinated care organization in working with one or more of the nine
 2 federally recognized tribes in this state or urban Indian health programs to achieve health equity
 3 may qualify as expenditures under subsection (2) of this section.

4 (5) The [authority] **department** shall:

5 (a) Make publicly available the outcomes described in subsection (3)(b) of this section; and

6 (b) Report expenditures under subsection (2) of this section to the Centers for Medicare and
 7 Medicaid Services.

8 (6) The [authority] **department** shall convene an oversight committee in consultation with the
 9 office within the [authority] **department** that is charged with ensuring equity and inclusion. The
 10 oversight committee shall be composed of members who represent the regional and demographic di-
 11 versity of this state based on statistical evidence compiled by the [authority] **department** about
 12 medical assistance recipients and at least one representative from the nine federally recognized
 13 tribes in this state or urban Indian health programs. The oversight committee shall:

14 (a) Evaluate the impact of expenditures described in subsection (2) of this section on promoting
 15 health equity and improving the social determinants of health in the communities served by each
 16 coordinated care organization;

17 (b) Recommend best practices and criteria for investments described in subsection (2) of this
 18 section; and

19 (c) Resolve any disputes between the [authority] **department** and a coordinated care organiza-
 20 tion over what qualifies as an expenditure under subsection (2) of this section.

21 **SECTION 1796.** Section 151, chapter 539, Oregon Laws 2021, as amended by section 13, chapter
 22 55, Oregon Laws 2022, is amended to read:

23 **Sec. 151.** (1) The Emergency Preparedness Advisory Council is established within the Office of
 24 the Governor. The mission of the council is to facilitate policy recommendations for catastrophic
 25 disaster preparedness, mitigation and response and recovery planning, procedures and protocols with
 26 special emphasis on outreach to representatives of designated state and federal emergency support
 27 functions.

28 (2) The council consists of:

29 (a) One member appointed by the Adjutant General to represent the Oregon Military Depart-
 30 ment;

31 (b) One member appointed by the Director of the Oregon Department of Emergency Management
 32 to represent the Oregon Department of Emergency Management;

33 (c) One member appointed by the State Fire Marshal to represent the Department of the State
 34 Fire Marshal;

35 (d) One member appointed by the Superintendent of State Police to represent the Department
 36 of State Police;

37 (e) One member appointed by the Director of the Department of Public Safety Standards and
 38 Training to represent the Department of Public Safety Standards and Training;

39 (f) One member appointed by the Director of the Oregon [Health Authority] **Department of**
 40 **Health** to represent the Oregon [Health Authority] **Department of Health**;

41 (g) One member appointed by the Director of Transportation to represent the Department of
 42 Transportation;

43 (h) One member appointed by the Attorney General to represent the Department of Justice;

44 (i) One member appointed by the State Forester to represent the State Forestry Department;

45 (j) Seven members appointed by the Governor as follows:

- 1 (A) One member to represent counties;
 2 (B) One member to represent cities;
 3 (C) One member with experience in emergency preparedness to represent regional organizations;
 4 (D) One member with experience in emergency preparedness to represent local organizations;
 5 (E) One member representing the private sector;
 6 (F) One member representing the nonprofit community with a designated emergency support
 7 function responsibility; and
 8 (G) One member to represent Indian tribes in Oregon; and
 9 (k) Additional members appointed by the Governor as the Governor may deem necessary.
 10 (3) In making appointments under this section, the Governor shall:
 11 (a) To the extent possible, ensure that for each federal emergency support function, there is at
 12 least one member of the council with experience or knowledge relating to that function; and
 13 (b) Strive to maintain linguistic, socioeconomic and experiential diversity among members of the
 14 council.
 15 (4)(a) The council may research international and national best practices and make formal rec-
 16 ommendations to the State Resilience Officer or the Governor as needed, with special emphasis
 17 given to connecting statewide policy recommendations with state and federal emergency support
 18 function capabilities.
 19 (b) The council shall advise and make policy recommendations to the Oregon Homeland Security
 20 Council regarding federal emergency support functions.
 21 (5) A majority of the members of the Emergency Preparedness Advisory Council constitutes a
 22 quorum for the transaction of business.
 23 (6) Official action by the council requires the approval of a majority of the members of the
 24 council.
 25 (7) The council shall elect one of its members to serve as chairperson.
 26 (8) If there is a vacancy for any cause, the appointing authority shall make an appointment to
 27 become immediately effective.
 28 (9) The council shall meet at least once quarterly at the place specified by the call of the
 29 chairperson or of a majority of the members of the council.
 30 (10) The council may adopt rules necessary for the operation of the council.
 31 (11) The Oregon Department of Emergency Management shall provide staff support to the
 32 council.
 33 (12) Members of the council are not entitled to compensation or reimbursement for expenses and
 34 serve as volunteers on the council.
 35 (13) All agencies of state government, as defined in ORS 174.111, are directed to assist the
 36 council in the performance of the duties of the council and, to the extent permitted by laws relating
 37 to confidentiality, to furnish information and advice the members of the council consider necessary
 38 to perform their duties.

39 **SECTION 1797.** Section 41, chapter 542, Oregon Laws 2021, is amended to read:

40 **Sec. 41.** (1) A person commits the crime of unlawful production of marijuana if the person
 41 produces marijuana or industrial hemp:

- 42 (a) At a location that is not confirmed by the Oregon [*Health Authority*] **Department of**
 43 **Health**, the Oregon Liquor and Cannabis Commission or the State Department of Agriculture to be
 44 the location of an industrial hemp operation registered or licensed under ORS 571.281, a premises
 45 for which a license was issued under ORS [*475B.090*] **475C.085** or a marijuana grow site registered

1 under ORS [475B.810] **475C.792**; and

2 (b) In an amount that is not allowed by state law.

3 (2) Unlawful production of marijuana is a Class A misdemeanor.

4 (3) Marijuana or industrial hemp that is unlawfully produced, as described in subsection (1) of
5 this section, is considered contraband and may be destroyed by a law enforcement agency.

6 **SECTION 1798.** Section 2, chapter 543, Oregon Laws 2021, is amended to read:

7 **Sec. 2.** (1) Beginning no later than December 31, 2021, and every six months thereafter, the
8 Department of Corrections shall report to the interim committees of the Legislative Assembly re-
9 lated to the judiciary and health care, in the manner provided under ORS 192.245, the following in-
10 formation:

11 (a) Progress on the adoption of an electronic health records system;

12 (b) The number of grievances filed by adults in custody concerning the provision of medical care;

13 (c) The medical services available to adults in custody within department facilities; and

14 (d) If applicable, the progress and impact of a department program that assigns health care
15 navigators to adults in custody.

16 (2) No later than December 31, 2022, the Department of Corrections, in consultation with the
17 Oregon [Health Authority] **Department of Health**, shall report to the interim committees of the
18 Legislative Assembly related to the judiciary and health care, in the manner provided under ORS
19 192.245, health outcomes concerning all adults in the custody of the Department of Corrections,
20 including health trends and any information the department determines relevant to the effectiveness
21 of the work of the Task Force on Corrections Medical Care described in section 1, **chapter 543,**
22 **Oregon Laws 2021**, [of this 2021 Act] and, if applicable, any department program in which health
23 care navigators are assigned to adults in custody.

24 **SECTION 1799.** Section 6, chapter 554, Oregon Laws 2021, is amended to read:

25 **Sec. 6.** (1) The Oregon [Health Authority] **Department of Health**, in collaboration with the
26 Department of Consumer and Business Services if necessary, shall seek any federal approval or
27 waivers of federal requirements necessary to maximize federal financial participation in the costs
28 of providing medical assistance to adults in the Cover All People program established in ORS
29 414.231.

30 (2) Implementation of the amendments to ORS 414.231 by section 1, **chapter 554, Oregon Laws**
31 **2021**, [of this 2021 Act] is not contingent upon federal approval or waivers described in subsection
32 (1) of this section.

33 **SECTION 1800.** Section 8, chapter 569, Oregon Laws 2021, is amended to read:

34 **Sec. 8.** No later than September 15, 2022, and annually thereafter, the Oregon [Health
35 Authority] **Department of Health** shall report to the interim committees of the Legislative Assem-
36 bly related to health, in the form provided in ORS 192.245, on the progress of integrating into the
37 [authority] **Oregon Department of Health** the duties, functions and powers transferred from the
38 Department of Consumer and Business Services by section 1, **chapter 569, Oregon Laws 2022** [of
39 this 2021 Act].

40 **SECTION 1801.** Section 24a, chapter 591, Oregon Laws 2021, is amended to read:

41 **Sec. 24a.** The Oregon [Health Authority] **Department of Health** shall report, in the manner
42 provided in ORS 192.245, to the interim subcommittee of the Joint Committee on Ways and Means
43 related to human services and to the interim committees of the Legislative Assembly related to
44 mental or behavioral health:

45 (1) No later than January 31, 2022, the number of applications for grants or funding awarded

1 under [section 2, chapter 2, Oregon Laws 2021,] **ORS 430.389** and, for each award, the:

- 2 (a) Amount of the grant or funding;
- 3 (b) Array of services provided by each recipient;
- 4 (c) Duration of the award; and
- 5 (d) Geographic area served by each recipient.

6 (2) No later than 30 days after grants or funding have been awarded to entities serving every
7 county in this state:

8 (a) The name of each recipient of a grant or funding providing services described in [section 2
9 (2)(d), chapter 2, Oregon Laws 2021,] **ORS 430.389 (2)(d)** and any subcontractors of the recipient; and

10 (b) The services provided by each recipient and the counties where the services will be provided
11 by the recipient.

12 (3) No later than 30 days after the grants or funding have been awarded for the biennium be-
13 ginning July 1, 2021:

14 (a) Details of the awards;

15 (b) The grants or funding awarded for services described in [section 2 (2), chapter 2, Oregon Laws
16 2021,] **ORS 430.389 (2)** and the grants or funding that were awarded to provide services described
17 in [section 2 (3), chapter 2, Oregon Laws 2021] **ORS 430.389 (3)**; and

18 (c) Total budget projections for the biennia beginning July 1, 2021, and July 1, 2023.

19 **SECTION 1802.** Section 3, chapter 595, Oregon Laws 2021, provides:

20 **Sec. 3.** (1) The Oregon [Health Authority] **Department of Health** shall seek approval from the
21 Centers for Medicare and Medicaid Services to make the supplemental payments to eligible em-
22 ployers under [section 1 of this 2021 Act] **ORS 735.520**.

23 (2) The [authority] **department** shall notify the Legislative Counsel upon receipt of the approval
24 or denial of approval by the Centers for Medicare and Medicaid Services under subsection (1) of this
25 section.

26 **SECTION 1803.** Section 6a, chapter 615, Oregon Laws 2021, provides:

27 **Sec. 6a.** The Oregon [Health Authority] **Department of Health** shall commission the first study
28 under [section 6 of this 2021 Act] **ORS 415.510** no later than September 15, 2026.

29 **SECTION 1804.** Section 1, chapter 616, Oregon Laws 2021, is amended to read:

30 **Sec. 1.** (1) As used in this section:

31 (a) “Long term care facility” has the meaning given that term in ORS 442.015.

32 (b) “Residential care facility” has the meaning given that term in ORS 443.400.

33 (c) “Senior emergency medical services” means services provided by an emergency medical ser-
34 vices provider, as defined in ORS 682.025, to residents of a long term care facility or residential care
35 facility.

36 (2)(a) The Senior Emergency Medical Services Innovation Program is established in the De-
37 partment of Human Services. The purpose of the program is to select, provide funding to and moni-
38 tor local public sector pilot projects that:

39 (A) Provide innovative strategies for addressing the emergency medical services needs of this
40 state’s increasing number of aging residents who receive care and services in residential care fa-
41 cilities and long term care facilities;

42 (B) Encourage the efficient and appropriate use of senior emergency medical services;

43 (C) Reduce the overall costs of senior emergency medical services while promoting quality
44 emergency medical services; and

45 (D) Encourage unique community-based responses to challenges faced by local communities in

1 meeting their residents' needs for senior emergency medical services.

2 (b) The department shall provide funding to a pilot project described in this subsection from
3 moneys deposited in the Quality Care Fund established under ORS 443.001.

4 (3) The Senior Emergency Medical Services Advisory Council is established consisting of the
5 following 10 members appointed by the Governor:

6 (a) One member representing long term care facilities;

7 (b) One member representing residential care facilities;

8 (c) One member who is a nurse or clinician in a long term care facility or a residential care
9 facility;

10 (d) One member representing an urban or suburban fire department or a city fire department
11 that provides emergency medical services;

12 (e) One member representing a rural fire protection district organized under ORS chapter 478;

13 (f) One member who enters into agreements with a public sector entity to provide emergency
14 medical services;

15 (g) One member who is a physician licensed under ORS chapter 677 or other health care prac-
16 titioner with expertise in emergency medical services;

17 (h) One member representing the Oregon [*Health Authority*] **Department of Health** who has
18 expertise in emergency medical services and trauma response;

19 (i) One member representing private emergency medical services providers; and

20 (j) One member who is a:

21 (A) Family member of a resident of a long term care facility or residential care facility;

22 (B) Caregiver in a long term care facility or residential care facility; or

23 (C) Member or representative of a group that advocates for seniors residing in long term care
24 facilities or residential care facilities.

25 (4) The council shall advise and make recommendations to the Department of Human Services
26 on:

27 (a) Minimum standards and data reporting requirements for pilot projects funded through the
28 program;

29 (b) The application process and timelines for the consideration of applications for funding of
30 pilot projects;

31 (c) The criteria for the selection of pilot projects to participate in the program; and

32 (d) Other factors identified by the council as likely to facilitate successful pilot projects.

33 (5) A majority of the members of the council constitutes a quorum for the transaction of busi-
34 ness.

35 (6) Official action by the council requires the approval of a majority of the members of the
36 council.

37 (7) The council shall elect one of its members to serve as chairperson.

38 (8) If there is a vacancy for any cause, the Governor shall make an appointment to become im-
39 mediately effective.

40 (9) The council shall meet at times and places specified by the call of the chairperson or of a
41 majority of the members of the council.

42 (10) The council may adopt rules necessary for the operation of the council.

43 (11) The department shall submit a report, in the manner provided in ORS 192.245, on the pilot
44 projects selected for the program, the success achieved by each pilot project in meeting the goals
45 of the program described in subsection (2) of this section and any recommendations for legislative

1 changes necessary to improve the emergency services provided throughout this state.

2 (12) The Department of **Human Services** shall submit the report described in subsection (11)
3 of this section to the [authority] **Oregon Department of Health** for consideration and review prior
4 to submitting the report as described in subsection (11) of this section.

5 (13) The Department of **Human Services** shall provide staff support to the council.

6 (14) Members of the council are not entitled to compensation or reimbursement for expenses and
7 serve as volunteers on the council.

8 (15) All agencies of state government, as defined in ORS 174.111, are directed to assist the
9 council in the performance of the duties of the council and, to the extent permitted by laws relating
10 to confidentiality, to furnish information and advice the members of the council consider necessary
11 to perform their duties.

12 **SECTION 1805.** Section 1, chapter 619, Oregon Laws 2021, as amended by section 20, chapter
13 45, Oregon Laws 2022, is amended to read:

14 **Sec. 1.** (1) As used in this section:

15 (a) “School-based health center” has the meaning given that term in ORS 413.225.

16 (b) “School nurse model” means a model for providing school-based health services that is in
17 accord with guidance from the division of the Oregon [Health Authority] **Department of Health**
18 that addresses adolescent health.

19 (2) The [authority] **Oregon Department of Health**, in consultation with the Department of Ed-
20 ucation, shall select up to 10 school districts or education service districts to receive planning
21 grants for district planning and technical assistance. Each district receiving a grant, beginning on
22 or after July 1, 2021, and concluding before July 1, 2023, shall:

23 (a) Evaluate the need for school-based health services in their respective communities; and

24 (b) Develop a school-based health services plan that addresses the need identified in paragraph
25 (a) of this subsection.

26 (3) The [authority] **Oregon Department of Health** shall contract with a nonprofit organization
27 with experience in facilitating school health planning initiatives and supporting school-based health
28 centers to facilitate and oversee the planning process and to provide technical assistance to
29 grantees to reduce costs and ensure better coordination and continuity statewide. To the greatest
30 extent practicable, the nonprofit organization shall engage with culturally specific organizations, in
31 the grantees’ communities, that have experience providing culturally and linguistically specific ser-
32 vices in schools or after-school programs.

33 (4) Each grantee shall solicit community participation in the planning process, including the
34 participation of the local public health authority, any federally qualified health centers located in
35 the district, a regional health equity coalition, if any, serving the district and every coordinated care
36 organization with members residing in the district.

37 (5) At the conclusion of the two-year planning process each grantee shall receive funding to
38 operate a school-based health center or school nurse model in each respective grantee school dis-
39 trict or education service district.

40 **SECTION 1806.** Section 2, chapter 619, Oregon Laws 2021, as amended by section 21, chapter
41 45, Oregon Laws 2022, is amended to read:

42 **Sec. 2.** (1) As used in this section, “mobile school-linked health center” means a mobile medical
43 van that:

44 (a) Provides primary care services, and may provide other services, to children on or near
45 school grounds by licensed or certified health care providers; and

1 (b) Is sponsored by a school district or an education service district.

2 (2) The Oregon [*Health Authority*] **Department of Health** shall develop grant requirements and
 3 ongoing operations criteria for mobile school-linked health centers and may award up to four grants
 4 to school districts or education service districts for planning, technical assistance and operations
 5 to implement a mobile school-linked health center.

6 (3) A mobile school-linked health center operated using grants provided under this section shall
 7 comply with the billing, electronic medical records and data reporting requirements established for
 8 grantees under section 1 (5), chapter 601, Oregon Laws 2019, but is not subject to the school-based
 9 certification requirements or funding formulas established for school-based health centers under ORS
 10 413.225.

11 **SECTION 1807.** Section 3, chapter 619, Oregon Laws 2021, is amended to read:

12 **Sec. 3.** (1) As used in this section:

13 (a) “Distant site” means the site where a physician licensed under ORS chapter 677, or other
 14 licensed health care practitioner, who provides health care services through telehealth is located
 15 at the time the physician or licensed health care practitioner provides the health care service
 16 through telehealth.

17 (b) “Originating site” means the site where the patient is located at the time the patient re-
 18 ceives health care services provided through telehealth.

19 (c) “School-based health center” has the meaning given that term in ORS 413.225.

20 (d) “School nurse” means:

21 (A) A school nurse as defined in ORS 342.455; or

22 (B) A registered nurse who is an employee or contractor of a school district and who practices
 23 nursing in a school setting.

24 (e) “Telehealth” means the use of electronic and telecommunication technologies to deliver
 25 health care services to a patient.

26 (2)(a) The Oregon [*Health Authority*] **Department of Health** shall award grants to three
 27 school-based health centers to operate pilot projects to expand student access to mental and phys-
 28 ical health care services and to improve the health and education outcomes of students through the
 29 use of telehealth.

30 (b) To be eligible for a grant under this subsection, a school-based health center shall enter into
 31 a pilot project agreement with a school district. The pilot project agreement must provide that:

32 (A) The school-based health center is the distant site that provides telehealth in conjunction
 33 with a school nurse located at the originating site; and

34 (B) The school-based health center will allocate to the school district a portion of funds received
 35 under this subsection to increase school nurse capacity and assist in offsetting costs incurred by the
 36 school district as a result of the school district’s participation in the pilot project.

37 (c) Funds described in this subsection may be used to:

38 (A) Compensate the following individuals for services provided pursuant to a pilot project:

39 (i) A school nurse;

40 (ii) A licensed health care practitioner located at a school-based health center; and

41 (iii) Administrative or technical staff at a school-based health center;

42 (B) Cover the costs of:

43 (i) Technical equipment necessary to provide telehealth; and

44 (ii) Technical assistance related to the use and function of equipment necessary to provide
 45 telehealth; and

(C) Cover other costs related to the pilot project’s provision of telehealth.

(3) The [authority] department shall:

(a) Assist school-based health centers and school districts that enter into pilot project agreements in the efficient use of funds distributed under subsection (2) of this section.

(b) Coordinate with a statewide nonprofit organization that has experience in supporting school-based health centers and school nurses to carry out this section.

(4) A school-based health center that operates a pilot project shall report, on an interval determined by the [authority] department, to the [authority] department on the progress of the pilot project in a manner that allows the [authority] department to determine the effectiveness of the pilot project.

(5) The [authority] department shall establish a process to evaluate at least the following information regarding a pilot project established under this section:

- (a) Billing practices and reimbursements;
- (b) Access to health care services;
- (c) Impact on student absence from schools; and
- (d) Workflow practices.

(6) Not later than December 31, 2025, the [authority] department shall submit a report, in the manner provided in ORS 192.245, to an interim committee of the Legislative Assembly related to health care, on the effectiveness and success of pilot projects established under this section. The [authority] department may include in the report submitted under this subsection recommendations for legislation.

SECTION 1808. Section 8, chapter 623, Oregon Laws 2021, is amended to read:

Sec. 8. The Oregon [Health Authority] Department of Health shall immediately notify the Legislative Counsel if the Centers for Medicare and Medicaid Services approves or disapproves, in whole or in part, a request for approval to administer the program described in [section 1 of this 2021 Act] **ORS 682.400.**

CAPTIONS

SECTION 1809. The unit and section captions used in this 2023 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2023 Act.

OPERATIVE DATE

SECTION 1810. The amendments to statutes and session laws by sections 1 to 4 of this 2023 Act and sections 6 to 1808 of this 2023 Act become operative on January 1, 2024.

EFFECTIVE DATE

SECTION 1811. This 2023 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2023 Act takes effect on its passage.