

SB 142 -2 STAFF MEASURE SUMMARY

Senate Committee On Early Childhood and Behavioral Health

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Meeting Dates: 3/18, 4/1

WHAT THE MEASURE DOES:

The measure directs the Oregon Health Authority (OHA) to study the progress and investment opportunities of certain behavioral health programs, directs the Higher Education Coordinating Commission (HECC) to study the progress and investment opportunities of a grant program to expand certain behavioral health specialties, and directs each agency to submit a report to the Legislative Assembly by September 15, 2026. Sunsets January 2, 2027.

Fiscal impact: May have fiscal impact, but no statement yet issued

Revenue impact: No revenue impact

ISSUES DISCUSSED:

EFFECT OF AMENDMENT:

-2 Replaces measure text. Directs the Higher Education Coordinating Commission (HECC) and the Oregon Health Authority (OHA) to administer grant programs to support the behavioral health workforce and appropriates General Fund monies for the 2025-2027 biennium to support the grant programs. Declares an emergency, effective July 1, 2025.

Detailed Summary:

Directs HECC to create scholarship programs for individuals from priority populations to cover education-related costs for behavioral health careers.

- Requires HECC to determine eligible programs of study based on recommendations from industry consortia and alignment with workforce shortages.
- Requires HECC to establish rules in consultation with OHA to administer the program.

Directs HECC to create a grant program for eligible entities to develop and expand behavioral health workforce training programs.

- Identifies eligible grant recipients and permitted uses of grant funding.
- Requires HECC to award grants in consultation with OHA and, industry experts, and statewide industry consortia.
- Requires grant recipients to report outcomes to HECC at intervals defined by the commission.

Directs OHA to create a grant program to support recruitment and retention of behavioral health care providers.

- Identifies eligible grant recipients and permitted uses of grant funding, including:
 - Loan forgiveness incentives;
 - Housing assistance;
 - Professional development and training supports;
 - Child care subsidies; and,
 - Clinical supervision.
- Requires grant recipients to report outcomes to OHA at intervals defined by the authority.

Permits OHA and the Office of Rural Health (ORH) to enter into an intergovernmental agreement for loan repayment and forgiveness grants for behavioral health care providers.

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- Requires the program to support providers in critical workforce shortage areas as identified by ORH.
- Requires ORH to report on the program to OHA.

Directs HECC to annually review each grant program established in the measure in consultation with OHA.

- Requires the annual review to evaluate the equity impact of the program and include the number of individuals supported by the programs, the completion rates for any programming offered through the programs, education and employment outcomes, and the expenditures for and types of support services provided by grant recipients.
- Directs HECC to submit a report to the Governor and the Legislative Assembly by June 30 of each year.

Appropriates funding from the General Fund to HECC and OHA for the 2025-2027 biennium.

- Appropriates \$25,700,000 to HECC for grant programming and reporting.
- Appropriates \$13,838,520 to OHA for grant programming and reporting.
- Appropriates \$8,911,458 to OHA for grant programming and partnership with ORH.

BACKGROUND:

[House Bill 2235](#) (2023) directed the Oregon Health Authority (OHA) to establish a workgroup to study the major barriers to workforce recruitment and retention in the publicly financed behavioral health system in Oregon. In January 2025, the workgroup issued recommendations regarding recruitment, retention, administrative burden, reimbursement rates and pay, reducing workloads and burnout, supporting equity, and workforce development ([Stabilizing Oregon's Public Behavioral Health System](#), 2025).

Senate Bill 142 -2 directs HECC and OHA to administer grant programs to support the behavioral health workforce, outlines reporting requirements for grantees and agencies, and appropriates General Fund monies for the 2025-2027 biennium to support the grant programs.