



Legislative Fiscal Office  
 83<sup>rd</sup> Oregon Legislative Assembly  
 2025 Regular Session

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**Bill Title:** Relating to behavioral health workforce.

**Government Unit(s) Affected:** Higher Education Coordinating Commission, Oregon Health Authority

**Summary of Fiscal Impact**

2025-27 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Higher Education Coordinating Commission	\$ 25,700,000	\$ -	\$ -	\$ -	\$ 25,700,000	3	2.00
Oregon Health Authority	\$ 22,984,738	\$ -		\$ 41,428	\$ 23,026,166	1	1.00
<b>Total Fiscal Impact</b>	<b>\$ 48,684,738</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 41,428</b>	<b>\$ 48,726,166</b>	<b>4</b>	<b>3.00</b>

  

2027-29 Biennium	General Fund	Lottery Funds	Other Funds	Federal Funds	Total Funds	Positions	FTE
Higher Education Coordinating Commission	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
Oregon Health Authority	\$ -	\$ -	\$ -	\$ -	\$ -	-	-
<b>Total Fiscal Impact</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>-</b>	<b>-</b>

- The estimated fiscal impact assumes the funding established for grants is provided on a one-time basis.

**Measure Description**

The measure makes a one-time General Fund appropriation to the Higher Education Coordinating Commission (HECC) of \$25.7 million General Fund to establish two grant programs. The first program provides grants to students from priority populations in post-secondary schools enrolled in a program identified as a behavioral health care shortage area. Behavioral health care shortage areas will be defined through information and recommendations made by the statewide industry consortia for the health care sector and in alignment with the critical workforce shortages at behavioral health care entities. The second grant program awards grants to entities that work to reduce and remove barriers to education and training, provide wraparound workforce development services, provide paid clinical hours, offer tuition and fee assistance for workforce programs, and any other eligible service HECC defines through rule. In establishing these grant programs, HECC, in consultation with the Oregon Health Authority (OHA) may determine the grant award amounts and application process through rulemaking. The measure also requires HECC, in consultation with OHA, to annually review the grant programs and submit a report to the Governor and the legislature by June 30 of each year.

The measure makes a one-time General Fund appropriation to OHA of \$13.8 million General Fund to establish a grant program to improve recruitment and retention of behavioral health care providers at eligible entities. Grant recipients must report annually to OHA on the use of the grant awards and outcomes achieved. Additionally, the measure makes a one-time General Fund appropriation to OHA of \$8.9 million General Fund which will be passed through to the Office of Rural Health, within the Oregon Health and Science University

(OHSU), to establish a grant program for loan repayments and loan forgiveness. The Office of Rural health must submit a report to OHA annually, and this information will be included in the report due to the Governor and Legislature prior to June 30 each year. The measure declares an emergency and takes effect on July 1, 2025.

**Fiscal Analysis**

The estimated fiscal impact assumes the funding established for grants and associated positions are provided on a one-time basis.

Higher Education Coordinating Commission

The fiscal impact of the measure on HECC is \$25.7 million General Fund and three limited duration full-time positions (2.00 FTE). The majority of the fiscal impact is a one-time General Fund appropriation of \$25 million, of which, \$20 million General Fund will support workforce grants and \$5 million General Fund will support scholarships to priority populations enrolled in a behavioral health care shortage field in a post-secondary school.

New limited duration full-time positions include one operations and policy analyst 4 position to collect data from grant recipients and compile the report due to the Governor and legislature, one program analyst 3 position to manage the workforce grant program and one program analyst 2 position to manage the scholarship program. The estimated cost of these positions, including personal services and standard position-related services and supplies costs is \$700,000 General Fund.

Oregon Health Authority

The fiscal impact of the measure on OHA is \$23 million General Fund and one limited duration full-time position (1.00 FTE). The total includes two one-time General Fund appropriations, \$13.8 million is designated for recruitment and retention programs for behavioral health workers and \$8.9 million will be passed through to the Office of Rural Health within OHSU. The new position, an operations and policy analyst 3, will administer the grant program, receive reports from grant recipients and collaborate with HECC. The estimated cost of this position, including personal services and standard position-related services and supplies costs is \$276,188 total funds.

**Relevant Dates**

The measure declares an emergency and takes effect on July 1, 2025.

Annually, by June 30th, HECC must submit a review of the grant programs to the Governor and the legislature.