

HB 2365 STAFF MEASURE SUMMARY

House Committee On Behavioral Health and Health Care

Action Date: 04/01/25

Action: Do pass and be referred to Revenue by prior reference

Vote: 9-0-0-0

Yeas: 9 - Diehl, Harbick, Isadore, Javadi, McIntire, Munoz, Nelson, Nosse, Pham H

Fiscal: Has minimal fiscal impact

Revenue: Revenue impact issued

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Meeting Dates: 1/30, 4/1

WHAT THE MEASURE DOES:

The measure expands the types of health provider licensees that qualify for the rural provider income tax credit.

Detailed Summary

- Adds mental health professionals (clinical social workers, psychologists, licensed professional counselors, marriage and family therapists), naturopathic physicians, pharmacists, medical laboratory scientists, and medical laboratory technicians to the list of provider types eligible for the rural provider income tax credit beginning in 2026.
- Directs the Office of Rural Health to establish criteria for determining eligibility for newly eligible provider types.
- Removes the eligibility requirement that optometrists have hospital consulting privileges.
- Takes effect on the 91st day following adjournment sine die.

ISSUES DISCUSSED:

- Incentivizing health care providers and medical professionals to live and practice in rural Oregon

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

Medical practitioners that provide care in rural parts of Oregon may be eligible for a tax credit based on the distance from a major population center where their practice is located. The credit is currently available to practitioners licensed as certified registered nurse anesthetists, dentists, doctors of medicine and osteopathic medicine, nurse practitioners, optometrists, physician associates, and podiatrists. In order to be eligible for the rural provider income tax credit, practitioners must serve a set percentage of Medicare and Medicaid recipients in their practice and provide a minimum of 20 hours per week of patient care, averaged over the month, per tax year in an eligible rural area.

House Bill 2365 expands the types of health provider licensees that qualify for the rural provider income tax credit.