

SB 581 STAFF MEASURE SUMMARY

Senate Committee On Education

Action Date: 04/09/25

Action: Do pass and refer to Ways and Means by prior reference.

Vote: 3-2-0-0

Yeas: 3 - Frederick, Gelser Blouin, Weber

Nays: 2 - Robinson, Sollman

Fiscal: Fiscal impact issued

Revenue: No revenue impact

Prepared By: Chris Bechtel, LPRO Fellow

Meeting Dates: 4/7, 4/9

WHAT THE MEASURE DOES:

The measure creates the Psychology Provider Incentive Program in the Oregon Health Authority (OHA) and establishes a separate fund for the program. The measure requires the program to provide stipends to students for housing costs and a loan repayment subsidy for licensed psychologists who complete the program. It changes course curriculum requirements to include four courses on cultural competency training and requires the Oregon Department of Public Safety Standards and Training to provide full-time employment for six to 12 months to a licensed psychologist who completed the program. The measure requires public employers to give preference to licensed psychologists who complete the program. It becomes operative on January 1, 2026, but takes effect on the 91st day after adjournment sine die.

ISSUES DISCUSSED:

- Student debt impacts
- Mental health impacts on students

EFFECT OF AMENDMENT:

No amendment.

BACKGROUND:

In 2021, the Oregon legislature invested \$1.35 billion in the state's behavioral health system. [House Bill 2235 \(2023\)](#) required the Oregon Health Authority to convene a work group to study the major barriers to workforce recruitment and retention in the state's publicly financed behavioral health system. According to the [HB 2235 Final Report](#), workload challenges in behavioral health workforce, like high caseloads, inadequate staffing ratios and uneven workload distribution contribute to stress and burnout. The work group recommends tuition assistance and paid time for career development, and educational pursuits.