

**A-Engrossed**  
**Senate Bill 142**

Ordered by the Senate April 7  
Including Senate Amendments dated April 7

Printed pursuant to Senate Interim Rule 213.28 by order of the President of the Senate in conformance with pre-session filing rules, indicating neither advocacy nor opposition on the part of the President (at the request of Governor Tina Kotek for Office of the Governor)

**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. The statement includes a measure digest written in compliance with applicable readability standards.

**Digest: The Act tells the HECC to give money to people in behavioral health care training programs. The Act also tells OHA to give grants to entities to help find and keep behavioral health care providers. The Act tells OHA and the ORH to give grants to people who are behavioral health care providers. The Act also tells OHA and the HECC to give a report to the legislature every year. (Flesch Readability Score: 63.3).**

*[Digest: The Act tells OHA to study some programs and report on the study. The Act also tells HECC to study a program and report on the study. (Flesch Readability Score: 77.1).]*

*[Requires the Oregon Health Authority to study the progress of and investment opportunities in specified programs. Directs the authority to submit findings to the interim committees of the Legislative Assembly related to health care not later than September 15, 2026.]*

*[Requires the Higher Education Coordinating Commission to study the progress of and investment opportunities in a specified grant program and opportunities to expand the grant program. Directs the commission to submit findings to the interim committees of the Legislative Assembly related to health care not later than September 15, 2026.]*

**Directs the Higher Education Coordinating Commission to award scholarships to certain individuals enrolled in behavioral health care programs of study. Directs the commission to award grants to eligible entities to address barriers to education and training program development and expansion. Requires an eligible entity that receives a grant to report to the commission.**

**Directs the Oregon Health Authority to award grants to eligible entities to foster recruitment and retention of behavioral health care providers. Requires an eligible entity that receives a grant to report to the authority.**

**Allows the authority and the Office of Rural Health to enter into an intergovernmental agreement to enable the office to award loan forgiveness grants and loan repayment grants to certain behavioral health care providers.**

**Directs the authority and the commission to review the scholarship and grant programs and not later than June 30 of each year submit a report to the interim committees of the Legislative Assembly related to the behavioral health workforce.**

**Declares an emergency, effective July 1, 2025.**

**A BILL FOR AN ACT**

1  
2 Relating to behavioral health workforce; and declaring an emergency.

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

4 **SECTION 1. (1) As used in this section:**

5 (a) **“Behavioral health care” means services and supports for individuals who have men-**  
6 **tal health disorders or substance use disorders.**

7 (b) **“Critical workforce shortage” means a current or projected shortage of workers**  
8 **within an industry or occupation that is considered to be critical to the well-being of the**  
9 **communities and economy of this state.**

10 (c) **“Post-secondary institution” means:**

11 **(A) A public university listed in ORS 352.002;**

**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 (B) A community college operated under ORS chapter 341;

2 (C) The Oregon Health and Science University; or

3 (D) An Oregon-based, generally accredited, not-for-profit institution of higher education.

4 (d) "Scholarship" means moneys paid to an eligible student enrolled in a post-secondary  
5 institution that offers eligible programs of study for the purpose of paying the student's tu-  
6 tion or training costs, without any obligation for the student to provide service to the state.

7 (2) The Higher Education Coordinating Commission shall establish a program to award  
8 scholarships to individuals from priority populations, as defined in ORS 660.300, that may be  
9 used to cover costs incurred by the individuals, including tuition, fees and other training  
10 costs, as a result of attendance at a post-secondary institution that offers eligible programs  
11 of study that the commission determines are preparatory for careers in behavioral health  
12 care shortage areas.

13 (3) The commission shall determine whether a program of study is eligible based on:

14 (a) Information compiled, or recommendations made, by the statewide industry  
15 consortia, convened under ORS 660.410, that represent the health care sector; and

16 (b) Whether the program of study aligns with critical workforce shortages at behavioral  
17 health care entities.

18 (4) The commission may determine the amounts in which scholarships are awarded under  
19 this section. A scholarship may be awarded to an individual under this section in addition to  
20 any other form of student financial aid that the individual receives, as allowed by law.

21 (5) The commission shall, in consultation with the Oregon Health Authority, adopt rules  
22 to carry out this section.

23 **SECTION 2.** (1) As used in this section:

24 (a) "Behavioral health care" means services and supports for individuals who have men-  
25 tal health disorders or substance use disorders.

26 (b) "Critical workforce shortage" means a current or projected shortage of workers  
27 within an industry or occupation that is considered to be critical to the well-being of the  
28 communities and economy of this state.

29 (2) The Higher Education Coordinating Commission shall establish a program to award  
30 grants to eligible entities that submit proposals to the commission. A grant awarded under  
31 this section may be used by an eligible entity for the following purposes:

32 (a) Addressing barriers to education and training program development and expansion,  
33 including but not limited to, hiring faculty and staff, curricula development, clinical place-  
34 ment capacity and equipment purchases;

35 (b) Providing wraparound workforce development services;

36 (c) Providing paid clinical hours;

37 (d) Offering scholarships for workforce programs; and

38 (e) Other activities identified in a grant proposal submitted under this section that are  
39 necessary to administer workforce programs described under this section.

40 (3) An eligible entity that may receive a grant under this section includes:

41 (a)(A) A public university listed in ORS 352.002;

42 (B) The Oregon Health and Science University;

43 (C) A community college operated under ORS chapter 341; and

44 (D) An Oregon-based, regionally accredited independent institution that offers programs  
45 of study determined by the commission to be preparatory for careers in behavioral health

1 care shortage areas;

2 (b) A workforce service provider, as defined in ORS 660.400, that administers workforce  
3 programs in behavioral health care and prioritizes equitable program participation by indi-  
4 viduals from priority populations, as defined in ORS 660.300; and

5 (c) A community-based organization, including:

6 (A) A nonprofit organization that is representative of a particular community or specific  
7 segments of a community, and is located within, or in close proximity to, the community  
8 served by the organization; and

9 (B) A culturally specific organization that serves a particular cultural community, is  
10 primarily staffed and led by members of that community and that demonstrates intimate  
11 knowledge of the lived experience of that community.

12 (4) The commission shall award the grants under this section on a competitive basis,  
13 taking into consideration proposals that:

14 (a) Describe how the eligible entity is addressing a behavioral health care critical  
15 workforce shortage in behavioral health care settings;

16 (b) Describe how the eligible entity intends to engage with behavioral health care em-  
17 ployers to provide workforce development opportunities for individuals from priority popu-  
18 lations;

19 (c) Describe how the eligible entity intends to collaborate with one or more of the fol-  
20 lowing to increase accessibility to workforce programs and opportunities for priority popu-  
21 lations:

22 (A) Workforce service providers, as defined in ORS 660.400;

23 (B) Community-based organizations, as defined in ORS 660.390;

24 (C) Kindergartens and elementary and secondary schools;

25 (D) Community colleges;

26 (E) Education and training partners;

27 (F) Local workforce development boards, as defined in ORS 660.300;

28 (G) Economic development organizations;

29 (H) Industry associations; and

30 (I) Universities, as defined in ORS 660.350; and

31 (d) Prioritize opportunities to leverage the use of other funding sources, including federal  
32 funds and private sector gifts, grants, donations and other contributions, toward workforce  
33 programs and opportunities.

34 (5) In awarding the grants under this section, the commission shall consult with the  
35 Oregon Health Authority, individuals who are experts in the behavioral health care field and  
36 statewide industry consortia, convened under ORS 660.410, that represent the health care  
37 sector.

38 (6)(a) An eligible entity that receives a grant under this section shall submit a report at  
39 the intervals and in the manner required by the commission. The report must include, inso-  
40 far as the information is relevant to the eligible entity:

41 (A) The number of individuals who have registered for or completed a workforce program  
42 in behavioral health care;

43 (B) The job placement rate for, and income earnings by, individuals described in subpar-  
44 agraph (A) of this paragraph;

45 (C) The number of individuals from priority populations who receive services or benefits

1 from workforce programs administered by the eligible entity; and

2 (D) A description of the types and amounts of wraparound workforce development ser-  
3 vices that the eligible entity provides.

4 (b) In prescribing the form and manner of the report described in this subsection, the  
5 commission shall seek to minimize the administrative burden imposed on the entities to the  
6 extent practicable.

7 (c) The commission shall continually compile the information described in paragraph (a)  
8 of this subsection from eligible entities that receive grants under this section, in a manner  
9 that disaggregates the data by race, age, gender and geographical area.

10 (7) The commission may, in consultation with the authority and the statewide industry  
11 consortia, adopt rules to carry out this section.

12 **SECTION 3. (1) As used in this section:**

13 (a) "Behavioral health care" means services and supports for individuals who have men-  
14 tal health disorders or substance use disorders.

15 (b) "Loan forgiveness" means moneys paid to an eligible educational institution on behalf  
16 of an eligible student for the purpose of paying the student's tuition and fees in exchange for  
17 the student's service obligation to this state of at least two years beginning on the date of  
18 graduation from the eligible educational institution or completion of a residency program.

19 (2) The Oregon Health Authority shall establish a program to award grants to eligible  
20 entities. The grants awarded under this section must be used to foster the recruitment and  
21 retention of behavioral health care providers at the eligible entities.

22 (3) An entity is eligible to receive grants under this section if the entity:

23 (a)(A) Has been certified by the authority to provide behavioral health care;

24 (B) Operates an outpatient or residential facility; or

25 (C) Provides team-based care and serves individuals with acute behavioral health needs;  
26 or

27 (b)(A) Provides behavioral health care to adults or youth of which at least 50 percent are  
28 uninsured or enrolled in the state medical assistance program or Medicare; and

29 (B) Is a culturally specific organization that serves a particular community and is pri-  
30 marily staffed and led by individuals who are members of the community who demonstrate  
31 knowledge of the lived experience of the community.

32 (4) An entity that receives a grant under subsection (2) of this section may use the funds  
33 to provide the following to behavioral health care providers, in an effort to increase the  
34 recruitment and retention of behavioral health care providers at the entity:

35 (a) Loan forgiveness incentives;

36 (b) Housing assistance;

37 (c) Professional development and training supports;

38 (d) Child care subsidies; and

39 (e) Clinical supervision.

40 (5)(a) An entity that receives a grant under subsection (2) of this section shall report to  
41 the authority, in the form and manner prescribed by the authority, on how the entity spent  
42 the grant and how the expenditures impacted the recruitment and retention of behavioral  
43 health care providers at the entity. The report must include, as applicable to the entity, the  
44 following information:

45 (A) The licensure, certification or position type of each behavioral health care provider

1 who received an incentive listed in subsection (4) of this section;

2 (B) The number of individuals from priority populations, as defined in ORS 660.300, who  
3 receive services or benefits from workforce programs administered by the entity, and the  
4 data described in ORS 413.161 in regard to each individual;

5 (C) The amount of grant moneys spent per behavioral health care provider; and

6 (D) The entity's staffing vacancy rate prior to receiving the grant under subsection (2)  
7 of this section and after receiving the grant under subsection (2) of this section.

8 (b) In prescribing the form and manner of the report described in this subsection, the  
9 authority shall seek to minimize the administrative burden imposed on the entities to the  
10 extent practicable.

11 **SECTION 4.** (1) As used in this section:

12 (a) "Behavioral health care" means services and supports for individuals who have men-  
13 tal health disorders or substance use disorders.

14 (b) "Critical workforce shortage" means a current or projected shortage of workers  
15 within an industry or occupation that is considered to be critical to the well-being of the  
16 communities and economy of this state.

17 (c) "Loan forgiveness" has the meaning given that term in section 3 of this 2025 Act.

18 (d) "Loan repayment" means moneys awarded to an eligible health care provider cur-  
19 rently working in the field at an eligible entity for the purpose of paying qualifying educa-  
20 tional debt incurred by the health care provider in exchange the health care provider's  
21 service obligation to this state for a period of at least two years.

22 (2) The Oregon Health Authority and the Office of Rural Health may enter into an  
23 intergovernmental agreement through which the authority disburses moneys to the office for  
24 the purpose of funding a grant program administered by the office. The grant program must  
25 award loan forgiveness grants and loan repayment grants to behavioral health care providers  
26 who are identified by the office as critical workforce shortage behavioral health care pro-  
27 viders.

28 (3) The intergovernmental agreement described in this section must include a require-  
29 ment that the office report to the authority in order to facilitate the authority's partic-  
30 ipation in the reporting described in section 5 of this 2025 Act.

31 **SECTION 5.** (1) In consultation with the Oregon Health Authority, the Higher Education  
32 Coordinating Commission shall annually review the scholarship and grant programs estab-  
33 lished under sections 1 to 4 of this 2025 Act to assess the performance and expenditure out-  
34 comes of the programs. In evaluating the programs, the commission shall:

35 (a) Evaluate the equity impact of the programs; and

36 (b) Compile the following information, disaggregated by priority population and program  
37 type as is practicable:

38 (A) The number of individuals who receive scholarships or grants or who participate with  
39 eligible entities that receive grants awarded under sections 2 to 4 of this 2025 Act;

40 (B) The completion rates for any programming and services offered by eligible entities  
41 that receive grants under sections 2 to 4 of this 2025 Act;

42 (C) The education and employment outcomes of individuals described in subparagraph (A)  
43 of this paragraph; and

44 (D) The expenditures for and types of support services provided by eligible entities that  
45 receive grants under sections 2 to 4 of this 2025 Act.

1           **(2)(a) Not later than June 30 of each year, the commission shall submit a report, in the**  
2 **manner provided in ORS 192.245, to the Governor and to the interim committees of the**  
3 **Legislative Assembly related to the behavioral health workforce. The report must include the**  
4 **information described in subsection (1) of this section for the calendar year immediately**  
5 **preceding the year in which the report is submitted and may include any recommendations**  
6 **for future investments and opportunities to leverage private and federal funding to support**  
7 **behavioral health workforce investments.**

8           **(b) The report must also include, based on the information obtained from the annual re-**  
9 **view described in subsection (1) of this section, baseline estimates of statewide workforce**  
10 **participation rates that include, at minimum, long-term employment projections for the be-**  
11 **havioral health workforce, and projections related to post-secondary educational attainment**  
12 **needs and how the scholarship and grant programs established in sections 1 to 4 of this 2025**  
13 **Act contribute to the statewide workforce participation.**

14           **SECTION 6.** **There is appropriated to the Higher Education Coordinating Commission, for**  
15 **the biennium beginning July 1, 2025, out of the General Fund, the amount of \$25,700,000 for**  
16 **the purpose of carrying out the provisions of sections 1, 2 and 5 of this 2025 Act.**

17           **SECTION 7.** **There is appropriated to the Oregon Health Authority, for the biennium be-**  
18 **ginning July 1, 2025, out of the General Fund, the amount of \$13,838,520 for the purpose of**  
19 **carrying out the provisions of sections 2, 3 and 5 of this 2025 Act.**

20           **SECTION 8.** **There is appropriated to the Oregon Health Authority, for the biennium be-**  
21 **ginning July 1, 2025, out of the General Fund, the amount of \$8,911,458 for the purpose of**  
22 **carrying out the provisions of sections 3 and 4 of this 2025 Act.**

23           **SECTION 9.** **This 2025 Act being necessary for the immediate preservation of the public**  
24 **peace, health and safety, an emergency is declared to exist, and this 2025 Act takes effect**  
25 **on July 1, 2025.**