

Enrolled Senate Bill 610

Sponsored by Senators CAMPOS, ANDERSON, LIEBER; Representative PHAM H (Presession filed.)

CHAPTER

AN ACT

Relating to funding for substance use services; amending ORS 413.017, 430.387, 430.388, 430.389, 430.390 and 430.394 and section 6, chapter 248, Oregon Laws 2023, and section 76, chapter 70, Oregon Laws 2024; and repealing ORS 430.391.

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

SECTION 1. ORS 430.387 is amended to read:

430.387. The Oregon Health Authority shall cause the moneys in the Drug Treatment and Recovery Services Fund to be distributed as follows:

(1) An amount necessary for the administration of ORS 430.388 to 430.390[, *excluding amounts necessary to establish and maintain the telephone hotline described in ORS 430.391 (1)*].

(2) After the distribution set forth in subsection (1) of this section, the remaining moneys in the fund shall be distributed to the grants program as set forth in ORS 430.389.

SECTION 2. ORS 430.388 is amended to read:

430.388. (1) The Oversight and Accountability Council is established for the purpose of [overseeing the implementation of the Behavioral Health Resource Networks pursuant to] **advising the Oregon Health Authority on the grant program described in ORS 430.389, including but not limited to advising the authority on:**

(a) **Funding priorities;**

(b) **Funding distribution; and**

(c) **An educational campaign to increase awareness of services.**

(2) The members of the council shall be qualified individuals with experience in substance use treatment and other addiction services and consist of:

(a) At least one member from each of the following categories appointed by the [director] **Director of the Oregon Health Authority:**

[(A) A representative of the Oregon Health Authority, Health Systems Division Behavioral Health Services as a nonvoting member;]

[(B)] **(A)** Three members of communities that have been disproportionately impacted by [arrests, prosecution or sentencing for conduct that has been classified or reclassified as a Class E violation] **criminal justice involvement related to drug use;**

[(C)] **(B)** A physician specializing in addiction medicine;

[(D)] **(C)** A licensed clinical social worker;

[(E)] **(D)** An evidence-based substance use treatment provider;

[(F)] **(E)** A harm reduction services provider;

[(G)] **(F)** A person specializing in housing services for people with substance use or a diagnosed **co-occurring substance use disorder and** mental health condition;

[*(H)*] **(G)** An academic researcher specializing in drug use or drug policy;
[*(I)*] **(H)** At least two people who suffered or suffer from substance use;
[*(J)*] **(I)** At least two recovery peers;
[*(K)*] **(J)** A mental or behavioral health care provider;
[*(L)*] **(K)** A representative of a coordinated care organization; [*and*]
[*(M)*] **(L)** A person who works for a nonprofit organization that advocates for persons who experience or have experienced substance use; [*and*]

(M) A representative of community mental health programs; and

(N) A representative of the Association of Oregon Counties;

(b) The Director of the Alcohol and Drug Policy Commission or the director's [*designated staff person, as an ex officio nonvoting member*] **designee;**

(c) The Director of Human Services or the director's designee;

(d) The executive director of the Oregon Criminal Justice Commission or the executive director's designee; and

(e) A member nominated by the Commission on Indian Services to represent the nine federally recognized tribes in Oregon.

(3) The [*director*] **Director of the Oregon Health Authority** shall appoint an executive director who shall report to and be responsible for the duties assigned by the director of the division within the authority that is responsible for behavioral health in consultation with the council.

(4) **The members of the council shall select a chair or cochair.** A quorum consists of a majority of the members of the council.

(5) The term of office for a member of the council is four years. Members are eligible for reappointment. If there is a vacancy for any cause, the director shall make an appointment to become immediately available for the unexpired term plus two years, but not more than a total of four years.

(6)(a) To the extent permissible by law, a member of the council performing services for the council may receive compensation from the member's employer for time spent performing services as a council member.

(b) If a member of the council is not compensated by the member's employer as set forth in paragraph (a) of this subsection, that member shall be entitled to compensation and expenses as provided in ORS 292.495.

(7) Members of the council are subject to and must comply with the provisions of ORS chapter 244, including ORS 244.045 (4), 244.047, 244.120 and 244.130.

SECTION 3. ORS 430.389, as amended by section 68, chapter 70, Oregon Laws 2024, is amended to read:

430.389. (1) [*The Oversight and Accountability Council shall approve grants and funding provided by the Oregon Health Authority in accordance with this section to implement Behavioral Health Resource Networks and increase access to community care.*] **The Oregon Health Authority shall administer, in consultation with the Oversight and Accountability Council, a grant program to implement Behavioral Health Resource Networks and increase statewide access to and awareness of the services described in subsection (2)(e) of this section.** A Behavioral Health Resource Network is an entity or collection of entities that individually or jointly provide some or all of the services described in subsection (2)(e) of this section.

(2)(a) The authority shall establish an equitable:

(A) Process for applying for grants and funding by agencies or organizations, whether government or community based, to establish Behavioral Health Resource Networks for the purposes of immediately screening the acute needs of individuals with substance use, including those who also have a mental illness, and assessing and addressing any ongoing needs through ongoing case management, harm reduction, treatment, housing and linkage to other care and services.

(B) Evaluation process to assess the effectiveness of Behavioral Health Resource Networks that receive grants or funding.

(b) Recipients of grants or funding must be licensed, certified or credentialed by the state, including certification under ORS 743A.168 (9), or meet criteria prescribed by rule by the authority

under ORS 430.390. A recipient of a grant or funding under this subsection may not use the grant or funding to supplant the recipient's existing funding.

(c) The [council and the] authority shall ensure that residents of each county have access to all of the services described in paragraph (e) of this subsection.

(d) Applicants for grants and funding may apply individually or jointly with other network participants to provide services in one or more counties.

(e) A network must have the capacity to provide the following services and any other services specified by the authority by rule but no individual participant in a network is required to provide all of the services:

(A) Screening by certified addiction peer support or wellness specialists or other qualified persons designated by the [council] **authority** to determine a client's need for immediate medical or other treatment to determine what acute care is needed and where it can be best provided, identify other needs and link the client to other appropriate local or statewide services, including treatment for substance use and coexisting health problems, housing, employment, training and child care. *[Networks shall provide this service 24 hours a day, seven days a week, every calendar day of the year through a telephone line or other means. Networks may rely on the statewide telephone hotline established by the authority under ORS 430.391 for telephone screenings during nonbusiness hours such as evenings, weekends and holidays.]* **A network shall provide a screening within 48 hours of initial client contact.** Notwithstanding paragraph (c) of this subsection, only one grantee in each network within each county is required to provide the screenings described in this subparagraph.

(B) Comprehensive behavioral health needs assessment, including a substance use screening by a certified alcohol and drug counselor or other credentialed addiction treatment professional. The assessment shall prioritize the self-identified needs of a client.

(C) Individual intervention planning, case management and connection to services. If, after the completion of a screening, a client indicates a desire to address some or all of the identified needs, a case manager shall work with the client to design an individual intervention plan. The plan must address the client's need for substance use treatment, coexisting health problems, housing, employment and training, child care and other services.

(D) Ongoing peer counseling and support from screening and assessment through implementation of individual intervention plans as well as peer outreach workers to engage directly with marginalized community members who could potentially benefit from the network's services.

(E) Assessment of the need for, and provision of, mobile or virtual outreach services to:

(i) Reach clients who are unable to access the network; and

(ii) Increase public awareness of network services.

(F) Harm reduction services and information and education about harm reduction services.

(G) Low-barrier substance use treatment.

(H) Transitional and supportive housing for individuals with substance use.

(f) If an applicant for a grant or funding under this subsection is unable to provide all of the services described in paragraph (e) of this subsection, the applicant may identify how the applicant intends to partner with other entities to provide the services, and the authority [and the council] may facilitate collaboration among applicants.

(g) All services provided through the networks must be evidence-informed, trauma-informed, culturally specific, linguistically responsive, person-centered and nonjudgmental. The goal shall be to address effectively the client's substance use and any other social determinants of health.

(h) The networks must be adequately staffed to address the needs of people with substance use within their regions as prescribed by the authority by rule, including, at a minimum, at least one person in each of the following categories:

(A) Alcohol and drug counselor certified by the authority or other credentialed addiction treatment professional;

(B) Case manager;

(C) Addiction peer support specialist certified by the authority;

(D) Addiction peer wellness specialist certified by the authority;

(E) Recovery mentor, certified by the Mental Health and Addiction Certification Board of Oregon or its successor organization; and

(F) Youth support specialist certified by the authority.

(i) Verification of a screening by a certified addiction peer support specialist, wellness specialist or other person in accordance with paragraph (e)(A) of this subsection shall promptly be provided to the client by the entity conducting the screening. If the client executes a valid release of information, the entity shall provide verification of the screening to the authority or a contractor of the authority and the authority or the authority's contractor shall forward the verification to any entity the client has authorized to receive the verification.

[(3)(a) If moneys remain in the Drug Treatment and Recovery Services Fund after the council has committed grants and funding to establish behavioral health resource networks serving every county in this state, the council shall authorize grants and funding to other agencies or organizations, whether government or community based, and to the nine federally recognized tribes in this state and service providers that are affiliated with the nine federally recognized tribes in this state to increase access to one or more of the following:]

[(A) Low-barrier substance use treatment that is evidence-informed, trauma-informed, culturally specific, linguistically responsive, person-centered and nonjudgmental;]

[(B) Peer support and recovery services;]

[(C) Transitional, supportive and permanent housing for persons with substance use;]

[(D) Harm reduction interventions including, but not limited to, overdose prevention education, access to short-acting opioid antagonists, as defined in ORS 689.800, and sterile syringes and stimulant-specific drug education and outreach; or]

[(E) Incentives and supports to expand the behavioral health workforce to support the services delivered by behavioral health resource networks and entities receiving grants or funding under this subsection.]

[(b) A recipient of a grant or funding under this subsection may not use the grant or funding to supplant the recipient's existing funding.]

[(4)] **(3)** In awarding grants and funding under *[subsections (1) and (3) of]* this section, the *[council]* **authority** shall:

(a) Distribute grants and funding to ensure access to:

(A) Historically underserved populations; and

(B) Culturally specific and linguistically responsive services.

(b) Consider any inventories or surveys of currently available behavioral health services.

(c) Consider available regional data related to the substance use treatment needs and the access to culturally specific and linguistically responsive services in communities in this state.

(d) Consider the needs of residents of this state for services, supports and treatment at all ages.

[(5)] **(4)** The *[council]* **authority** shall require any government entity that applies for a grant to specify in the application details regarding subgrantees and how the government entity will fund culturally specific organizations and culturally specific services. A government entity receiving a grant must make an explicit commitment not to supplant or decrease any existing funding used to provide services funded by the grant.

[(6)] **(5)** In determining grants and funding to be awarded, the *[council]* **authority** may consult the comprehensive addiction, prevention, treatment and recovery plan established by the Alcohol and Drug Policy Commission under ORS 430.223 and the advice of any other group, agency, organization or individual that desires to provide advice to the *[council]* **authority** that is consistent with the terms of this section.

[(7)] **(6)** Services provided by grantees **funded under this section**, including services provided by a Behavioral Health Resource Network, shall be free of charge to the clients receiving the services. Grantees in each network shall seek reimbursement from insurance issuers, the medical assistance program or any other third party responsible for the cost of services provided to a client and grants and funding provided by the *[council or the]* authority under this section may be used for copayments, deductibles or other out-of-pocket costs incurred by the client for the services.

[(8)] (7) Subsection [(7)] (6) of this section does not require the medical assistance program to reimburse the cost of services for which another third party is responsible in violation of 42 U.S.C. 1396a(25).

SECTION 4. ORS 430.390 is amended to read:

430.390. (1)(a) The Oregon Health Authority shall adopt rules that establish:

(A) A grant application process[, *a process to appeal the denial of a grant*] and general criteria and requirements for the Behavioral Health Resource Networks and the grants and funding required by ORS 430.389, including rules requiring recipients of grants and funding to collect and report information necessary for the Secretary of State to conduct the financial and performance audits required by ORS 430.392.

(B) A process to appeal the denial, in full or in part, of a grant application under ORS 430.389. To the extent practicable, the process shall be consistent with the process for protesting the award of a public contract under ORS 279B.400 to 279B.425.

(b) When adopting or amending rules under this subsection, the authority shall convene an advisory committee in accordance with ORS 183.333 in which members of the Oversight and Accountability Council compose a majority of the membership.

[(2) *The council shall have and retain the authority to oversee the Behavioral Health Resource Networks established under ORS 430.389 and approve the grants and funding under ORS 430.389.*]

[(3)] (2) The authority shall administer and provide all necessary support to ensure the implementation of ORS 430.383 to 430.390 and 430.394, and that recipients of grants or funding comply with all applicable rules regulating the provision of behavioral health services.

[(4)(a)] (3)(a) The authority, in consultation with the council, may enter into interagency agreements to ensure proper distribution of funds for the grants required by ORS 430.389.

(b) The authority shall encourage and take all reasonable measures to ensure that grant recipients cooperate, coordinate and act jointly with one another to offer the services described in ORS 430.389.

(c) The authority shall post to the authority's website, at the time a grant or funding is awarded:

(A) The name of the recipient of the grant or funding;

(B) The names of any subgrantees or subcontractors of the recipient of the grant or funding; and

(C) The amount of the grant or funding awarded.

[(5)] (4) The authority shall provide requested technical, logistical and other support to the council to assist the council with the council's duties and obligations.

[(6)] (5) The Department of Justice shall provide legal services to the council if requested **by the authority** to assist the council in carrying out the council's duties and obligations.

SECTION 5. ORS 430.394 is amended to read:

430.394. *[If approved by the Oversight and Accountability Council,]* The Oregon Health Authority may implement an education campaign to inform the public about the availability of Behavioral Health Resource Networks[, *the statewide hotline described in ORS 430.391*] and any other information the authority believes would benefit the public in accessing behavioral health services.

SECTION 6. ORS 413.017 is amended to read:

413.017. (1) The Oregon Health Policy Board shall establish the committees described in subsections (2) to (5) of this section.

(2)(a) The Public Health Benefit Purchasers Committee shall include individuals who purchase health care for the following:

(A) The Public Employees' Benefit Board.

(B) The Oregon Educators Benefit Board.

(C) Trustees of the Public Employees Retirement System.

(D) A city government.

(E) A county government.

(F) A special district.

(G) Any private nonprofit organization that receives the majority of its funding from the state and requests to participate on the committee.

(b) The Public Health Benefit Purchasers Committee shall:

(A) Identify and make specific recommendations to achieve uniformity across all public health benefit plan designs based on the best available clinical evidence, recognized best practices for health promotion and disease management, demonstrated cost-effectiveness and shared demographics among the enrollees within the pools covered by the benefit plans.

(B) Develop an action plan for ongoing collaboration to implement the benefit design alignment described in subparagraph (A) of this paragraph and shall leverage purchasing to achieve benefit uniformity if practicable.

(C) Continuously review and report to the Oregon Health Policy Board on the committee's progress in aligning benefits while minimizing the cost shift to individual purchasers of insurance without shifting costs to the private sector or the health insurance exchange.

(c) The Oregon Health Policy Board shall work with the Public Health Benefit Purchasers Committee to identify uniform provisions for state and local public contracts for health benefit plans that achieve maximum quality and cost outcomes. The board shall collaborate with the committee to develop steps to implement joint contract provisions. The committee shall identify a schedule for the implementation of contract changes. The process for implementation of joint contract provisions must include a review process to protect against unintended cost shifts to enrollees or agencies.

(3)(a) The Health Care Workforce Committee shall include individuals who have the collective expertise, knowledge and experience in a broad range of health professions, health care education and health care workforce development initiatives.

(b) The Health Care Workforce Committee shall coordinate efforts to recruit and educate health care professionals and retain a quality workforce to meet the demand that will be created by the expansion in health care coverage, system transformations and an increasingly diverse population.

(c) The Health Care Workforce Committee shall conduct an inventory of all grants and other state resources available for addressing the need to expand the health care workforce to meet the needs of Oregonians for health care.

(4)(a) The Health Plan Quality Metrics Committee shall include the following members appointed by the Oregon Health Policy Board:

(A) An individual representing the Oregon Health Authority;

(B) An individual representing the Oregon Educators Benefit Board;

(C) An individual representing the Public Employees' Benefit Board;

(D) An individual representing the Department of Consumer and Business Services;

(E) Two health care providers;

(F) One individual representing hospitals;

(G) One individual representing insurers, large employers or multiple employer welfare arrangements;

(H) Two individuals representing health care consumers;

(I) Two individuals representing coordinated care organizations;

(J) One individual with expertise in health care research;

(K) One individual with expertise in health care quality measures; and

(L) One individual with expertise in mental health and addiction services.

(b) The committee shall work collaboratively with the Oregon Educators Benefit Board, the Public Employees' Benefit Board, the authority and the department to adopt health outcome and quality measures that are focused on specific goals and provide value to the state, employers, insurers, health care providers and consumers. The committee shall be the single body to align health outcome and quality measures used in this state with the requirements of health care data reporting to ensure that the measures and requirements are coordinated, evidence-based and focused on a long term statewide vision.

(c) The committee shall use a public process that includes an opportunity for public comment to identify health outcome and quality measures. The health outcome and quality measures identified by the committee, as updated by the authority under paragraph (g) of this subsection, may be applied to services provided by coordinated care organizations or paid for by health benefit plans sold

through the health insurance exchange or offered by the Oregon Educators Benefit Board or the Public Employees' Benefit Board. The authority, the department, the Oregon Educators Benefit Board and the Public Employees' Benefit Board are not required to adopt all of the health outcome and quality measures identified by the committee but may not adopt any health outcome and quality measures that are different from the measures identified by the committee. The measures must take into account the health outcome and quality measures selected by the metrics and scoring subcommittee created in ORS 413.022 and the differences in the populations served by coordinated care organizations and by commercial insurers.

(d) In identifying health outcome and quality measures, the committee shall prioritize measures that:

(A) Utilize existing state and national health outcome and quality measures, including measures adopted by the Centers for Medicare and Medicaid Services, that have been adopted or endorsed by other state or national organizations and have a relevant state or national benchmark;

(B) Given the context in which each measure is applied, are not prone to random variations based on the size of the denominator;

(C) Utilize existing data systems, to the extent practicable, for reporting the measures to minimize redundant reporting and undue burden on the state, health benefit plans and health care providers;

(D) Can be meaningfully adopted for a minimum of three years;

(E) Use a common format in the collection of the data and facilitate the public reporting of the data; and

(F) Can be reported in a timely manner and without significant delay so that the most current and actionable data is available.

(e) The committee shall evaluate on a regular and ongoing basis the health outcome and quality measures identified under this section.

(f) The committee may convene subcommittees to focus on gaining expertise in particular areas such as data collection, health care research and mental health and substance use disorders in order to aid the committee in the development of health outcome and quality measures. A subcommittee may include stakeholders and staff from the authority, the Department of Human Services, the Department of Consumer and Business Services, the Early Learning Council or any other agency staff with the appropriate expertise in the issues addressed by the subcommittee.

(g) The authority shall update annually, if necessary, the health outcome and quality measures identified by the committee to utilize the latest sets of core quality measures published by the Centers for Medicare and Medicaid Services in accordance with 42 U.S.C. 1320b-9a and 1320b-9b.

(h) This subsection does not prevent the authority, the Department of Consumer and Business Services, commercial insurers, the Public Employees' Benefit Board or the Oregon Educators Benefit Board from establishing programs that provide financial incentives to providers for meeting specific health outcome and quality measures adopted by the committee.

(5)(a) The Behavioral Health Committee shall include the following members appointed by the Director of the Oregon Health Authority:

(A) The chairperson of the Health Plan Quality Metrics Committee;

(B) The chairperson of the committee appointed by the board to address health equity, if any;

(C) A behavioral health director for a coordinated care organization;

(D) A representative of a community mental health program;

(E) An individual with expertise in data analysis;

(F) A member of the Consumer Advisory Council, established under ORS 430.073, that represents adults with mental illness;

(G) A representative of the System of Care Advisory Council established in ORS 418.978;

(H) A member of the Oversight and Accountability Council, [described in ORS 430.389] **established under ORS 430.388**, who represents adults with addictions or co-occurring conditions;

(I) One member representing a system of care, as defined in ORS 418.976;

(J) One consumer representative;

- (K) One representative of a tribal government;
 - (L) One representative of an organization that advocates on behalf of individuals with intellectual or developmental disabilities;
 - (M) One representative of providers of behavioral health services;
 - (N) The director of the division of the authority responsible for behavioral health services, as a nonvoting member;
 - (O) The Director of the Alcohol and Drug Policy Commission appointed under ORS 430.220, as a nonvoting member;
 - (P) The authority's Medicaid director, as a nonvoting member;
 - (Q) A representative of the Department of Human Services, as a nonvoting member; and
 - (R) Any other member that the director deems appropriate.
- (b) The board may modify the membership of the committee as needed.
- (c) The division of the authority responsible for behavioral health services and the director of the division shall staff the committee.
- (d) The committee, in collaboration with the Health Plan Quality Metrics Committee, as needed, shall:
- (A) Establish quality metrics for behavioral health services provided by coordinated care organizations, health care providers, counties and other government entities; and
 - (B) Establish incentives to improve the quality of behavioral health services.
- (e) The quality metrics and incentives shall be designed to:
- (A) Improve timely access to behavioral health care;
 - (B) Reduce hospitalizations;
 - (C) Reduce overdoses;
 - (D) Improve the integration of physical and behavioral health care; and
 - (E) Ensure individuals are supported in the least restrictive environment that meets their behavioral health needs.

(6) Members of the committees described in subsections (2) to (5) of this section who are not members of the Oregon Health Policy Board may receive compensation in accordance with criteria prescribed by the authority by rule and shall be reimbursed from funds available to the board for actual and necessary travel and other expenses incurred by them by their attendance at committee meetings, in the manner and amount provided in ORS 292.495.

SECTION 7. Section 6, chapter 248, Oregon Laws 2023, is amended to read:

Sec. 6. (1) Notwithstanding the terms of office specified in ORS 430.388, eight voting members currently serving on the Oversight and Accountability Council shall be reappointed for two-year terms at the end of their current terms, including:

- (a) At least one member from each category described in ORS 430.388 [(2)(a)(B)] **(2)(a)(A)**, [(2)(a)(I)] **(2)(a)(H)** and [(2)(a)(J)] **(2)(a)(I)**; and
- (b) Others chosen by lot.

(2) The successors to the members who are reappointed to two-year terms shall be appointed to four-year terms.

SECTION 8. Section 76, chapter 70, Oregon Laws 2024, is amended to read:

Sec. 76. (1) As used in this section, "deflection program" means a collaborative program between law enforcement agencies and behavioral health entities that assists individuals who may have substance use disorder, another behavioral health disorder or co-occurring disorders, to create community-based pathways to treatment, recovery support services, housing, case management or other services.

(2) The Oregon Behavioral Health Deflection Program is established within the Improving People's Access to Community-based Treatment, Supports and Services Grant Review Committee established under ORS 430.234. The program consists of grants awarded by the committee to counties and federally recognized tribal governments to fund deflection programs.

(3)(a) The purpose of the program described in this section is to:

(A) Address the need for more deflection programs to assist individuals whose behavioral health conditions, including substance use disorder, lead to interactions with law enforcement, incarceration, conviction and other engagement with the criminal justice system.

(B) Track and report data concerning deflection program outcomes in order to determine the best practices for deflection programs within this state.

(b) ORS 430.230 to 430.236 do not apply to the program described in this section.

(4)(a) The committee shall develop a grant application process for awarding grants under this section.

(b) An application for a grant under this section may be submitted by a county or the designee of a county, or by a tribal government or designee of a tribal government. Only one application per county may be submitted, but the application may request funding multiple programs within a county.

(c) Prior to submitting an application for a grant under this section, the applicant shall coordinate with all partners of the development and administration of the proposed deflection program to ensure that the partners have the resources necessary to implement the deflection program. The partners shall include at least a district attorney, a law enforcement agency, a community mental health program established under ORS 430.620 and a provider from a Behavioral Health Resource Network established under ORS 430.389. Partners may also include a treatment provider, a local mental health authority, a tribal government, a peer support organization, a court or a local government body.

(d) An application for a grant under this section must contain:

(A) A description of the coordination with program partners required by paragraph (c) of this subsection that has occurred;

(B) A description of the individuals who would be eligible for the program and what qualifies as a successful outcome, formulated in cooperation with the program partners described in paragraph (c) of this subsection;

(C) A description of how the program for which the applicant is seeking funding is culturally and linguistically responsive, trauma-informed and evidence-based;

(D) A description of a plan to address language access barriers when communicating program referral options and program procedures to non-English speaking individuals; and

(E) A description of how the program coordinator will communicate with program partners concerning persons participating in the program and any other matter necessary for the administration of the program.

(5) To be eligible for funding under this section, a deflection program:

(a) Must be coordinated by or in consultation with a community mental health program, a local mental health authority or a federally recognized tribal government;

(b) Must have a coordinator with the following program coordinator duties:

(A) Convening deflection program partners as needed for the operation of the program;

(B) Managing grant program funds awarded under this section; and

(C) Tracking and reporting data required by the Oregon Criminal Justice Commission under section 37, **chapter 70, Oregon Laws 2024** [of this 2024 Act];

(c) Must involve the partners described in subsection (4)(c) of this section; and

(d) May involve a partnership with one or more of the following entities:

(A) A first responder agency other than a law enforcement agency;

(B) A community provider;

(C) A treatment provider;

(D) A community-based organization;

(E) A case management provider;

(F) A recovery support services provider; or

(G) Any other individual or entity deemed necessary by the program coordinator to carry out the purposes of the deflection program, including individuals with lived experience with substance use disorder, a behavioral health disorder or co-occurring disorders.

(6) During a grant application period established by the committee, the maximum proportion of grant funds available to an applicant shall be determined as follows:

(a) The proportion of grant funds available to an applicant other than a tribal government shall be determined based on the [county formula share employed by the Oversight and Accountability Council established under ORS 430.388] **formula for distributing grants and funding awarded under ORS 430.389**, but an applicant may not receive less than \$150,000.

(b) The committee shall determine the proportion of funds available to an applicant that is a federally recognized tribal government.

(7)(a) Grant funds awarded under this section may be used for:

(A) Deflection program expenses including but not limited to law enforcement employees, deputy district attorneys and behavioral health treatment workers, including peer navigators and mobile crisis and support services workers.

(B) Behavioral health workforce development.

(C) Capital construction of behavioral health treatment infrastructure.

(b) Notwithstanding paragraph (a) of this subsection, the committee may award planning grants for the development of deflection programs.

(c) The committee may allocate up to three percent of program funds to support grantee data collection and analysis or evaluation of outcome measures.

(8) The Oregon Criminal Justice Commission shall provide staff support to the grant program.

(9) The committee and the commission may adopt rules to carry out the provisions of this section.

SECTION 9. ORS 430.391 is repealed.

Passed by Senate May 15, 2025

.....
Obadiah Rutledge, Secretary of Senate

.....
Rob Wagner, President of Senate

Passed by House May 29, 2025

.....
Julie Fahey, Speaker of House

Received by Governor:

.....M.,....., 2025

Approved:

.....M.,....., 2025

.....
Tina Kotek, Governor

Filed in Office of Secretary of State:

.....M.,....., 2025

.....
Tobias Read, Secretary of State