

SB 142-2  
(LC 560)  
3/26/25 (SCT/ps)

Requested by Senator REYNOLDS (at the request of Governor Tina Kotek)

**PROPOSED AMENDMENTS TO  
SENATE BILL 142**

On page 1 of the printed bill, line 2, after “workforce” insert “; and declaring an emergency”.

Delete lines 4 through 25 and delete page 2 and insert:

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

**“(a) ‘Behavioral health care’ means services and supports for individuals who have mental health disorders or substance use disorders.**

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

**“(c) ‘Post-secondary institution’ means:**

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

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

**“(C) The Oregon Health and Science University; or**

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

**“(d) ‘Scholarship’ means moneys paid to an eligible student enrolled in a post-secondary institution that offers eligible programs of study for the purpose of paying the student’s tuition or training costs, without any obligation for the student to provide service to the state.**

**“(2) The Higher Education Coordinating Commission shall establish**

1 a program to award scholarships to individuals from priority popu-  
2 lations, as defined in ORS 660.300, that may be used to cover costs in-  
3 curred by the individuals, including tuition, fees and other training  
4 costs, as a result of attendance at a post-secondary institution that  
5 offers eligible programs of study that the commission determines are  
6 preparatory for careers in behavioral health care shortage areas.

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

9 “(a) Information compiled, or recommendations made, by the  
10 statewide industry consortia, convened under ORS 660.410, that repre-  
11 sent the health care sector; and

12 “(b) Whether the program of study aligns with critical workforce  
13 shortages at behavioral health care entities.

14 “(4) The commission may determine the amounts in which schol-  
15 arships are awarded under this section. A scholarship may be awarded  
16 to an individual under this section in addition to any other form of  
17 student financial aid that the individual receives, as allowed by law.

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

20 “SECTION 2. (1) As used in this section:

21 “(a) ‘Behavioral health care’ means services and supports for indi-  
22 viduals who have mental health disorders or substance use disorders.

23 “(b) ‘Critical workforce shortage’ means a current or projected  
24 shortage of workers within an industry or occupation that is consid-  
25 ered to be critical to the well-being of the communities and economy  
26 of this state.

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

1       “(a) Addressing barriers to education and training program devel-  
2       opment and expansion, including but not limited to, hiring faculty and  
3       staff, curricula development, clinical placement capacity and equip-  
4       ment purchases;

5       “(b) Providing wraparound workforce development services;

6       “(c) Providing paid clinical hours;

7       “(d) Offering scholarships for workforce programs; and

8       “(e) Other activities identified in a grant proposal submitted under  
9       this section that are necessary to administer workforce programs de-  
10      scribed under this section.

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

13      “(a)(A) A public university listed in ORS 352.002;

14      “(B) The Oregon Health and Science University;

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

16      “(D) An Oregon-based, regionally accredited independent institution  
17      that offers programs of study determined by the commission to be  
18      preparatory for careers in behavioral health care shortage areas;

19      “(b) A workforce service provider, as defined in ORS 660.400, that  
20      administers workforce programs in behavioral health care and prior-  
21      itizes equitable program participation by individuals from priority  
22      populations, as defined in ORS 660.300; and

23      “(c) A community-based organization, including:

24      “(A) A nonprofit organization that is representative of a particular  
25      community or specific segments of a community, and is located  
26      within, or in close proximity to, the community served by the organ-  
27      ization; and

28      “(B) A culturally specific organization that serves a particular cul-  
29      tural community, is primarily staffed and led by members of that  
30      community and that demonstrates intimate knowledge of the lived

1 **experience of that community.**

2 **“(4) The commission shall award the grants under this section on**  
3 **a competitive basis, taking into consideration proposals that:**

4 **“(a) Describe how the eligible entity is addressing a behavioral**  
5 **health care critical workforce shortage in behavioral health care set-**  
6 **tings;**

7 **“(b) Describe how the eligible entity intends to engage with behav-**  
8 **ioral health care employers to provide workforce development oppor-**  
9 **tunities for individuals from priority populations;**

10 **“(c) Describe how the eligible entity intends to collaborate with one**  
11 **or more of the following to increase accessibility to workforce pro-**  
12 **grams and opportunities for priority populations:**

13 **“(A) Workforce service providers, as defined in ORS 660.400;**

14 **“(B) Community-based organizations, as defined in ORS 660.390;**

15 **“(C) Kindergartens and elementary and secondary schools;**

16 **“(D) Community colleges;**

17 **“(E) Education and training partners;**

18 **“(F) Local workforce development boards, as defined in ORS 660.300;**

19 **“(G) Economic development organizations;**

20 **“(H) Industry associations; and**

21 **“(I) Universities, as defined in ORS 660.350; and**

22 **“(d) Prioritize opportunities to leverage the use of other funding**  
23 **sources, including federal funds and private sector gifts, grants, do-**  
24 **nations and other contributions, toward workforce programs and op-**  
25 **portunities.**

26 **“(5) In awarding the grants under this section, the commission shall**  
27 **consult with the Oregon Health Authority, individuals who are experts**  
28 **in the behavioral health care field and statewide industry consortia,**  
29 **convened under ORS 660.410, that represent the health care sector.**

30 **“(6)(a) An eligible entity that receives a grant under this section**

1 shall submit a report at the intervals and in the manner required by  
2 the commission. The report must include, insofar as the information  
3 is relevant to the eligible entity:

4 “(A) The number of individuals who have registered for or com-  
5 pleted a workforce program in behavioral health care;

6 “(B) The job placement rate for, and income earnings by, individ-  
7 uals described in subparagraph (A) of this paragraph;

8 “(C) The number of individuals from priority populations who re-  
9 ceive services or benefits from workforce programs administered by  
10 the eligible entity; and

11 “(D) A description of the types and amounts of wraparound  
12 workforce development services that the eligible entity provides.

13 “(b) In prescribing the form and manner of the report described in  
14 this subsection, the commission shall seek to minimize the adminis-  
15 trative burden imposed on the entities to the extent practicable.

16 “(c) The commission shall continually compile the information de-  
17 scribed in paragraph (a) of this subsection from eligible entities that  
18 receive grants under this section, in a manner that disaggregates the  
19 data by race, age, gender and geographical area.

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

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

23 “(a) ‘Behavioral health care’ means services and supports for indi-  
24 viduals who have mental health disorders or substance use disorders.

25 “(b) ‘Loan forgiveness’ means moneys paid to an eligible educa-  
26 tional institution on behalf of an eligible student for the purpose of  
27 paying the student’s tuition and fees in exchange for the student’s  
28 service obligation to this state of at least two years beginning on the  
29 date of graduation from the eligible educational institution or com-  
30 pletion of a residency program.

1       “(2) The Oregon Health Authority shall establish a program to  
2       award grants to eligible entities. The grants awarded under this sec-  
3       tion must be used to foster the recruitment and retention of behav-  
4       ioral health care providers at the eligible entities.

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

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

9       “(B) Operates an outpatient or residential facility; or

10       “(C) Provides team-based care and serves individuals with acute  
11       behavioral health needs; or

12       “(b)(A) Provides behavioral health care to adults or youth of which  
13       at least 50 percent are uninsured or enrolled in the state medical as-  
14       sistance program or Medicare; and

15       “(B) Is a culturally specific organization that serves a particular  
16       community and is primarily staffed and led by individuals who are  
17       members of the community who demonstrate knowledge of the lived  
18       experience of the community.

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

23       “(a) Loan forgiveness incentives;

24       “(b) Housing assistance;

25       “(c) Professional development and training supports;

26       “(d) Child care subsidies; and

27       “(e) Clinical supervision.

28       “(5)(a) An entity that receives a grant under subsection (2) of this  
29       section shall report to the authority, in the form and manner pre-  
30       scribed by the authority, on how the entity spent the grant and how

1 the expenditures impacted the recruitment and retention of behavioral  
2 health care providers at the entity. The report must include, as appli-  
3 cable to the entity, the following information:

4 “(A) The licensure, certification or position type of each behavioral  
5 health care provider who received an incentive listed in subsection (4)  
6 of this section;

7 “(B) The number of individuals from priority populations, as defined  
8 in ORS 660.300, who receive services or benefits from workforce pro-  
9 grams administered by the entity, and the data described in ORS  
10 413.161 in regard to each individual;

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

13 “(D) The entity’s staffing vacancy rate prior to receiving the grant  
14 under subsection (2) of this section and after receiving the grant under  
15 subsection (2) of this section.

16 “(b) In prescribing the form and manner of the report described in  
17 this subsection, the authority shall seek to minimize the administra-  
18 tive burden imposed on the entities to the extent practicable.

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

20 “(a) ‘Behavioral health care’ means services and supports for indi-  
21 viduals who have mental health disorders or substance use disorders.

22 “(b) ‘Critical workforce shortage’ means a current or projected  
23 shortage of workers within an industry or occupation that is consid-  
24 ered to be critical to the well-being of the communities and economy  
25 of this state.

26 “(c) ‘Loan forgiveness’ has the meaning given that term in section  
27 3 of this 2025 Act.

28 “(d) ‘Loan repayment’ means moneys awarded to an eligible health  
29 care provider currently working in the field at an eligible entity for  
30 the purpose of paying qualifying educational debt incurred by the

1 health care provider in exchange the health care provider's service  
2 obligation to this state for a period of at least two years.

3 “(2) The Oregon Health Authority and the Office of Rural Health  
4 may enter into an intergovernmental agreement through which the  
5 authority disburses moneys to the office for the purpose of funding a  
6 grant program administered by the office. The grant program must  
7 award loan forgiveness grants and loan repayment grants to behav-  
8 ioral health care providers who are identified by the office as critical  
9 workforce shortage behavioral health care providers.

10 “(3) The intergovernmental agreement described in this section  
11 must include a requirement that the office report to the authority in  
12 order to facilitate the authority's participation in the reporting de-  
13 scribed in section 5 of this 2025 Act.

14 “SECTION 5. (1) In consultation with the Oregon Health Authority,  
15 the Higher Education Coordinating Commission shall annually review  
16 the scholarship and grant programs established under sections 1 to 4  
17 of this 2025 Act to assess the performance and expenditure outcomes  
18 of the programs. In evaluating the programs, the commission shall:

19 “(a) Evaluate the equity impact of the programs; and

20 “(b) Compile the following information, disaggregated by priority  
21 population and program type as is practicable:

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

25 “(B) The completion rates for any programming and services of-  
26 fered by eligible entities that receive grants under sections 2 to 4 of  
27 this 2025 Act;

28 “(C) The education and employment outcomes of individuals de-  
29 scribed in subparagraph (A) of this paragraph; and

30 “(D) The expenditures for and types of support services provided by

1 eligible entities that receive grants under sections 2 to 4 of this 2025  
2 Act.

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

12 “(b) The report must also include, based on the information ob-  
13 tained from the annual review described in subsection (1) of this sec-  
14 tion, baseline estimates of statewide workforce participation rates that  
15 include, at minimum, long-term employment projections for the be-  
16 havioral health workforce, and projections related to post-secondary  
17 educational attainment needs and how the scholarship and grant pro-  
18 grams established in sections 1 to 4 of this 2025 Act contribute to the  
19 statewide workforce participation.

20 “SECTION 6. There is appropriated to the Higher Education Coor-  
21 dinating Commission, for the biennium beginning July 1, 2025, out of  
22 the General Fund, the amount of \$25,700,000 for the purpose of carry-  
23 ing out the provisions of sections 1, 2 and 5 of this 2025 Act.

24 “SECTION 7. There is appropriated to the Oregon Health Authority,  
25 for the biennium beginning July 1, 2025, out of the General Fund, the  
26 amount of \$13,838,520 for the purpose of carrying out the provisions  
27 of sections 2, 3 and 5 of this 2025 Act.

28 “SECTION 8. There is appropriated to the Oregon Health Authority,  
29 for the biennium beginning July 1, 2025, out of the General Fund, the  
30 amount of \$8,911,458 for the purpose of carrying out the provisions of

1 sections 3 and 4 of this 2025 Act.

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

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