HB 3069-B8 (LC 3407) 6/17/25 (JLM/ps)

Requested by JOINT COMMITTEE ON WAYS AND MEANS

PROPOSED AMENDMENTS TO B-ENGROSSED HOUSE BILL 3069 (INCLUDING AMENDMENTS TO RESOLVE CONFLICTS)

On <u>page 1</u> of the printed B-engrossed bill, line 8, delete the first "and" and after "2024" insert ", sections 10, 11 and 12, chapter 151, Oregon Laws 2025 (Enrolled House Bill 2632), and section 8, chapter ____, Oregon Laws 2025 (Enrolled Senate Bill 610)".

5 On page 7, after line 23, insert:

"SECTION 3a. If House Bill 2632 becomes law, section 12, chapter
151, Oregon Laws 2025 (Enrolled House Bill 2632) (amending section 53,
chapter 649, Oregon Laws 2013), is repealed.".

9 On page 11, after line 7, insert:

"<u>SECTION 8a.</u> If Senate Bill 610 becomes law, section 8, chapter ____,
 Oregon Laws 2025 (Enrolled Senate Bill 610) (amending section 76,
 chapter 70, Oregon Laws 2024), is repealed.

"SECTION 8b. If Senate Bill 236 becomes law, section 8 of this 2025
Act (amending section 76, chapter 70, Oregon Laws 2024) is repealed
and section 76, chapter 70, Oregon Laws 2024, as amended by section
27, chapter ___, Oregon Laws 2025 (Enrolled Senate Bill 236), is
amended to read:

¹⁸ "Sec. 76. (1) As used in this section, 'deflection program' means a ¹⁹ collaborative program between law enforcement agencies and behavioral ²⁰ health entities or community-based social service organizations that assists individuals who may have substance use disorder, another behavioral
health disorder or co-occurring disorders, and who often have other service needs, to create community-based pathways to treatment, recovery
support services, housing, case management or other services.

5 "(2) The Oregon Behavioral Health Deflection Program is established 6 within the [Improving People's Access to Community-based Treatment, Sup-7 ports and Services Grant Review Committee established under ORS 430.234] 8 **Oregon Criminal Justice Commission**. The program consists of grants 9 awarded by the [committee] **commission** to counties and federally recognized 10 tribal governments to fund deflection programs.

"[(3)(a)] (3) The purpose of the program described in this section is to:
 "[(A)] (a) Address the need for more deflection programs to assist indi-

viduals whose behavioral health conditions, including substance use disorder, and other service needs lead to a heightened likelihood of interactions with law enforcement, incarceration, conviction and other engagement with the criminal justice system.

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

20 "[(b) ORS 430.230 to 430.236 do not apply to the program described in this 21 section.]

"(4)(a) The [committee] commission 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 or a consortium consisting of two or more counties or tribal governments, or designee of a consortium. Only one application per county or tribal government may be submitted, but the application may request funding multiple programs within [*a county*] an applicant's jurisdiction. "(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[.] **as follows:**

"(A) For a county or county consortium applicant, 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.

"(B) For a tribal government or tribal government consortium ap plicant, the partners shall include at least a law enforcement agency
 and either a behavioral health entity or a community-based social
 service organization.

16 "(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) For a county or county consortium applicant, a description of
 how the program for which the applicant is seeking funding is culturally and
 linguistically responsive, trauma-informed and evidence-based;

"(D) For a county or county consortium applicant, a description of
 a plan to address language access barriers when communicating program
 referral options and program procedures to non-English speaking individuals;
 and

29 "(E) A description of how the program coordinator will communicate with 30 program partners concerning persons participating in the program and any 1 other matter necessary for the administration of the program.

2 "(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;

6 "(b) Must have a coordinator with the following program coordinator 7 duties:

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

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

11 "(C) Tracking and reporting data required by the [Oregon Criminal Jus-12 tice] commission under section 37, chapter 70, Oregon Laws 2024;

"(c) Must involve the partners described in subsection (4)(c) of this sec-tion; and

¹⁵ "(d) May involve a partnership with one or more of the following entities:

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

17 "(B) A community provider;

18 "(C) A treatment provider;

19 "(D) A community-based organization;

20 "(E) A case management provider;

21 "(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.

²⁶ "[(6) During a grant application period established by the committee, the ²⁷ maximum proportion of grant funds available to an applicant shall be deter-²⁸ mined as follows:]

29 "[(a) The proportion of grant funds available to an applicant other than a 30 tribal government shall be determined by a formula established by the com1 mission, but an applicant may not receive less than \$150,000.]

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

"(6)(a) The commission shall distribute moneys in the Oregon Behavioral Health Deflection Program Account established under section
78, chapter 70, Oregon Laws 2024, as follows:

"(A) The commission shall first determine the proportion of funds
available to an applicant that is a federally recognized tribal government or a consortium of federally recognized tribal governments.

"(B) Following the determination made under subparagraph (A) of
 this paragraph, the remaining moneys shall be distributed to other
 applicants as follows:

"(i) Twenty-five percent of the moneys shall be distributed to
 counties based on the county formula share used for the program
 during the biennium ending June 30, 2025;

"(ii) Seventy percent of the moneys shall be distributed to counties
 based on the formula described in paragraph (b) of this subsection;

18 "(iii) Three percent of the moneys shall be retained by the com-19 mission to support grant recipient data collection and analysis or 20 evaluation of outcome measures; and

"(iv) Two percent of the moneys shall be retained by the commis sion to support technical assistance for grant recipients.

"(C) Each qualifying county applicant shall receive a grant award
of no less than \$300,000.

25 "(b) For purposes of the distribution under paragraph (a)(B)(ii) of 26 this subsection:

"(A) The commission shall provide historical data to each applicant
 to assist applicants in developing a program population projection.

"(B) Applicants shall develop a program population projection to
 submit to the commission. The program population projection shall

1 consist of:

"(i) A projection of individuals eligible for deflection based on local
 program criteria;

4 "(ii) A projection of individuals to be enrolled in the Oregon Be5 havioral Health Deflection Program within the applicant's local juris6 diction; and

7 "(iii) An explanation describing the methodology used to calculate
8 the program population projection.

"(C) The proportion of funds available to an applicant shall be determined by the commission using the combined projections of potential populations served by the Oregon Behavioral Health Deflection
Program.

13 "(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*] case management or outreach workers, including peer
navigators and mobile crisis and support services workers.

18 "(B) Behavioral health workforce development.

¹⁹ "(C) Capital construction of behavioral health treatment infrastructure.

"(D) The payment of restitution to a victim, if potential or out standing restitution is a barrier to program participation.

"(E) The purchase of closed-loop referral technology to facilitate
 referrals to local partners and community-based organizations in volved in supporting deflection and jail reentry programs.

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

²⁸ "[(c) The committee may allocate up to three percent of program funds to ²⁹ support grantee data collection and analysis or evaluation of outcome meas-³⁰ ures.] "(c) A county or county consortium applicant may request up to 10 percent of program funds for administrative costs. A tribal government or tribal government consortium applicant may request up to the federally negotiated indirect cost rate for the applicant to cover administrative costs.

"(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[.], including:

"(a) A methodology for reviewing and approving grant applications
 and awarding grants;

12 "(b) A process for distributing any unallocated funds;

"(c) A process for evaluating the efficacy of deflection programs
 funded under this section;

"(d) Provisions related to requests by grant recipients to adjust
 their grant awards; and

"(e) Provisions related to partnerships or collaborations between
 applicants.

19 "(10) For purposes of this section:

"(a) 'Successful outcome' means an outcome that recognizes that recovery pathways are necessarily individual and that is measured in engagement in case management services and improvements in quality of life stability factors and public safety.

²⁴ "(b) 'Victim' has the meaning given that term in ORS 131.007.".

25 On page 14, after line 15, insert:

"SECTION 9a. If Senate Bill 236 becomes law, section 9 of this 2025
Act (amending section 76, chapter 70, Oregon Laws 2024) is repealed
and section 76, chapter 70, Oregon Laws 2024, as amended by section
27, chapter ____, Oregon Laws 2025 (Enrolled Senate Bill 236), and section 8b of this 2025 Act, is amended to read:

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

8 "(2) The Oregon Behavioral Health Deflection Program is established 9 within the Oregon Criminal Justice Commission. The program consists of 10 grants awarded by the commission to counties and federally recognized tribal 11 governments to fund deflection programs.

12 "(3) 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, and
other service needs lead to a heightened likelihood of 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.

21 "(4)(a) The commission shall develop a grant application process for 22 awarding grants under this section.

"(b) An application for a grant under this section may be submitted by a county or designee of a county, a tribal government or designee of a tribal government or a consortium consisting of two or more counties or tribal governments, or designee of a consortium. Only one application per county or tribal government may be submitted, but the application may request funding multiple programs within an applicant's jurisdiction.

29 "(c) Prior to submitting an application for a grant under this section, the 30 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 as follows:

"(A) For a county or county consortium applicant, 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.

"(B) For a tribal government or tribal government consortium applicant,
 the partners shall include at least a law enforcement agency and either a
 behavioral health entity or a community-based social service organization.

13 "(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) For a county or county consortium applicant, a description of how the program for which the applicant is seeking funding is culturally and linguistically responsive, trauma-informed and evidence-based;

"(D) For a county or county consortium applicant, 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.

²⁸ "(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

1 tribal government;

2 "(b) Must have a coordinator with the following program coordinator 3 duties:

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

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

"(C) Tracking and reporting data required by the commission under section 37, chapter 70, Oregon Laws 2024;

9 "(c) Must involve the partners described in subsection (4)(c) of this sec-10 tion; and

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

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

13 "(B) A community provider;

14 "(C) A treatment provider;

15 "(D) A community-based organization;

16 "(E) A case management provider;

17 "(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)(a) The commission shall distribute moneys in the Oregon Behavioral
Health Deflection Program Account established under section 78, chapter 70,
Oregon Laws 2024, as follows:

"(A) The commission shall first determine the proportion of funds avail able to an applicant that is a federally recognized tribal government or a
 consortium of federally recognized tribal governments.

"(B) Following the determination made under subparagraph (A) of this
paragraph, the remaining moneys shall be distributed to other applicants as
follows:

"(i) Twenty-five percent of the moneys shall be distributed to counties
[based on the county formula share used for the program during the biennium
ending June 30, 2025] based on the formula described in paragraph (b)
of this subsection;

"(ii) Seventy percent of the moneys shall be distributed to counties based
on [the formula described in paragraph (b) of this subsection] a competitive
grant program adopted by the commission by rule and following the
priorities described in paragraph (c) of this subsection;

9 "(iii) Three percent of the moneys shall be retained by the commission to 10 support grant recipient data collection and analysis or evaluation of outcome 11 measures; and

"(iv) Two percent of the moneys shall be retained by the commission to
 support technical assistance for grant recipients.

"[(C) Each qualifying county applicant shall receive a grant award of no
 less than \$300,000.]

"(b) For purposes of the distribution under paragraph [(a)(B)(ii)] (a)(B)(i)
of this subsection:

"(A) The commission shall provide historical data to each applicant toassist applicants in developing a program population projection.

"(B) Applicants shall develop a program population projection to submit
 to the commission. The program population projection shall consist of:

"(i) A projection of individuals eligible for deflection based on local pro gram criteria;

"(ii) A projection of individuals to be enrolled in the Oregon Behavioral
Health Deflection Program within the applicant's local jurisdiction; and
"(iii) An explanation describing the methodology used to calculate the
program population projection.

"(C) The proportion of funds available to an applicant shall be determined
by the commission using the combined projections of potential populations
served by the Oregon Behavioral Health Deflection Program, but a quali-

1 fying applicant may not receive less than \$150,000.

"(c) The commission shall prioritize the following when awarding
grants under paragraph (a)(B)(ii) of this subsection:

"(A) Grant recipients making adequate progress toward meeting
program population projections submitted to the commission under
paragraph (b) of this subsection;

"(B) Programs designed to minimize the number of cases involving
unlawful possession of a controlled substance constituting a drug
enforcement misdemeanor as described in section 35, chapter 70,
Oregon Laws 2024, filed in an applicant's jurisdiction;

11 "(C) Programs that result in satisfactory rates of successful out-12 comes for program participants;

"(D) Programs that prioritize the funding of positions that interact
 directly with prospective and enrolled program participants;

"(E) Programs in rural areas that create regional partnerships; and
 "(F) Programs that adhere to documented standards and best
 practices established by the commission for deflection programs.

18 "(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, case management or outreach workers, including peer navigators and mobile crisis and support services workers.

²³ "(B) Behavioral health workforce development.

²⁴ "(C) Capital construction of behavioral health treatment infrastructure.

"(D) The payment of restitution to a victim, if potential or outstanding
 restitution is a barrier to program participation.

"(E) The purchase of closed-loop referral technology to facilitate referrals
to local partners and community-based organizations involved in supporting
deflection and jail reentry programs.

30 "(b) Notwithstanding paragraph (a) of this subsection, the commission

1 may award planning grants for the development of deflection programs.

"(c) A county or county consortium applicant may request up to 10 percent of program funds for administrative costs. A tribal government or tribal government consortium applicant may request up to the federally negotiated indirect cost rate for the applicant to cover administrative costs.

6 "(8) The commission shall provide staff support to the grant program.

"(9) The commission [may] shall adopt rules to carry out the provisions
of this section, including:

9 "(a) A methodology for reviewing and approving grant applications and 10 awarding grants;

11 "(b) A process for distributing any unallocated funds;

"(c) A process for evaluating the efficacy of deflection programs funded
 under this section;

"(d) Provisions related to requests by grant recipients to adjust theirgrant awards; and

"(e) Provisions related to partnerships or collaborations between appli-cants.

18 "(10) For purposes of this section:

"(a) 'Successful outcome' means an outcome that recognizes that recovery pathways are necessarily individual and that is measured in engagement in case management services and improvements in quality of life stability factors and public safety.

²³ "(b) 'Victim' has the meaning given that term in ORS 131.007.".

24 After line 22, insert:

"SECTION 10a. (1) The repeal of section 9 of this 2025 Act (amending section 76, chapter 70, Oregon Laws 2024) by section 9a of this 2025
Act and the amendments to section 76, chapter 70, Oregon Laws 2024,
by section 9a of this 2025 Act become operative on July 1, 2027.

"(2) The Oregon Criminal Justice Commission may adopt rules and
 take any other action before the operative date specified in subsection

(1) of this section that is necessary to enable the commission, on and
after the operative date specified in subsection (1) of this section, to
exercise all of the powers, duties and functions conferred on the
commission by the amendments to section 76, chapter 70, Oregon Laws
2024, by section 9a of this 2025 Act.".

6 On page 21, after line 8, insert:

"SECTION 20a. If House Bill 2632 becomes law, section 11, chapter
151, Oregon Laws 2025 (Enrolled House Bill 2632) (amending ORS
423.150), is repealed.".

10 After line 23, insert:

"SECTION 21a. If House Bill 2632 becomes law, section 21 of this 2025 Act is amended to read:

"Sec. 21. (1) The Oregon Criminal Justice Commission shall establish the Oregon Treatment Court Grant Program to award grants to counties in order to provide supplemental funding for treatment courts. The grants must support the adherence of treatment courts to the standards developed under ORS 137.680 and may fund the costs of appropriate treatment services and the incarceration of persons who have violated the terms and conditions of the treatment court.

20 "(2) The commission may adopt rules to administer the grant program 21 described in this section, including:

"(a) A methodology for reviewing and approving grant applications and
 awarding grants;

²⁴ "(b) A process for distributing any unallocated funds;

"(c) A process for evaluating the efficacy of treatment courts funded under this section;

"(d) Provisions related to requests by grant recipients to adjust theirgrant awards; and

"(e) Provisions related to partnerships or collaborations between appli-cants.

"(3) As used in this section, ['treatment court' means a specialty court as
defined] 'treatment courts' has the meaning given that term in ORS
137.680[, including a drug court program as defined in ORS 3.450].

4 "SECTION 21b. The amendments to section 21 of this 2025 Act by 5 section 21a of this 2025 Act become operative on July 1, 2026.".

6 On page 28, after line 34, insert:

"<u>SECTION 36a.</u> If House Bill 2632 becomes law, section 10, chapter
151, Oregon Laws 2025 (Enrolled House Bill 2632) (amending ORS
137.656), is repealed.".

10 After line 38, insert:

"SECTION 37a. Notwithstanding section 11, chapter ____, Oregon
Laws 2025 (Enrolled Senate Bill 236) (amending ORS 475.934), if Senate
Bill 236 becomes law, ORS 475.934 is repealed by section 37 of this 2025
Act.".

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