REVENUE: Revenue statement issued FISCAL: No fiscal impact Action: Do pass Vote: 6-0-1 Yeas: Burdick, Morse, Atkinson, Hass Monroe, Starr Navs: Exc.: Westlund **Prepared By:** Chris Allanach, Economist Meeting Dates: 2/6

WHAT THE BILL DOES: Clarifies the number of certifications that the Office of Rural Health may issue for the TRICARE tax expenditures in tax years 2008 through 2011. They may issue up to 500 certificates in 2008; 1,000 in 2009; 1,500 in 2010; and 2,000 in 2011. (The credit is scheduled to sunset on January 1, 2012 under current law.) This bill does not change the policy implemented by the 2007 Legislature.

ISSUES DISCUSSED:

· Impact of certificate limits on the provision of medical care for Oregon veterans

EFFECT OF COMMITTEE AMENDMENTS:

None

BACKGROUND:

The 2007 Legislature created the TRICARE tax provisions to encourage health care providers to enter into contracts with TRICARE to provide medical services for Oregon military veterans. That legislation included a limit on the number of certifications the Office of Rural Health could issue. The intent of the original legislation was to gradually increase the number of certificates that could be issued between 2008 and 2011 from 500 to 2,000. During the administrative rules process, the Office of Rural Health noted a lack of clarity regarding the number of certifications that could be issued between 2008 and 2011 from 500 to 2,000. During the administrative rules process, the Office of Rural Health noted a lack of clarity regarding the number of certifications that could be issued between 2008 and 2011 from 500 to 2,000. During the administrative rules process, the Office of Rural Health noted a lack of clarity regarding the number of certifications that could be issued between 2008 and 2011 from 500 to 2,000.