

A-Engrossed
Senate Bill 39

Ordered by the Senate April 10
Including Senate Amendments dated April 10

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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.

Dedicates certain cigarette tax revenues to certain rural health safety net programs and services.

Appropriates moneys from General Fund to Rural Health Care Revolving Account for rural health safety net programs and services.

Declares emergency, effective July 1, 2009.

A BILL FOR AN ACT

1
2 Relating to rural health safety net; amending ORS 323.455; appropriating money; and declaring an
3 emergency.

4 Whereas the economic well-being and health status of rural Oregonians will improve only with
5 the creation and support of a clearly defined and sustainable rural health safety net; and

6 Whereas the general decline of rural economies, the aging of the rural population, the difficulty
7 in recruiting and retaining physicians and other health care providers, the aging of hospital physical
8 plants and a high rate of uninsured persons indicate a pending crisis in Oregon; and

9 Whereas the three major factors for maintaining a viable rural health safety net are adequate
10 prehospital emergency care, access to primary care providers and modernization of older rural hos-
11 pitals; now, therefore,

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

13 **SECTION 1.** ORS 323.455 is amended to read:

14 323.455. (1) All moneys received by the Department of Revenue from the tax imposed by ORS
15 323.030 (1) shall be paid over to the State Treasurer to be held in a suspense account established
16 under ORS 293.445. After the payment of refunds, 89.65 percent shall be credited to the General
17 Fund, 3.45 percent is appropriated to the cities of this state, 3.45 percent is appropriated to the
18 counties of this state and 3.45 percent is continuously appropriated to the Department of Transpor-
19 tation for the purpose of financing and improving transportation services for elderly individuals and
20 individuals with disabilities as provided in ORS 391.800 to 391.830.

21 (2) The moneys so appropriated to cities and counties shall be paid on a monthly basis within
22 35 days after the end of the month for which a distribution is made. Each city shall receive such
23 share of the money appropriated to all cities as its population, as determined under ORS 190.510 to
24 190.590 last preceding such apportionment, bears to the total population of the cities of the state,
25 and each county shall receive such share of the money as its population, determined under ORS

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.

1 190.510 to 190.590 last preceding such apportionment, bears to the total population of the state.

2 (3) The moneys appropriated to the Department of Transportation under subsection (1) of this
3 section shall be distributed and transferred to the Elderly and Disabled Special Transportation Fund
4 established by ORS 391.800 at the same time as the cigarette tax moneys are distributed to cities
5 and counties under this section.

6 (4) Of the moneys credited to the General Fund under this section:

7 (a) 51.92 percent shall be dedicated to funding the maintenance and expansion of the number
8 of persons eligible for medical assistance under the Oregon Health Plan, or to funding the mainte-
9 nance of the benefits available under the Oregon Health Plan, or both;[and]

10 (b) 5.77 percent shall be credited to the Tobacco Use Reduction Account established under ORS
11 431.832;[.]

12 (c) **0.7 percent shall be credited to the Office of Rural Health created under ORS 442.475**
13 **for the purpose of enhancing emergency medical service systems in rural communities as**
14 **specified in ORS 353.450 (2), but no more than 10 percent of the funds may be used by the**
15 **office for administrative costs;**

16 (d) **0.85 percent shall be credited to the Office of Rural Health to provide rural commu-**
17 **nities with technical and financial assistance necessary to develop or enhance rural health**
18 **safety net services, including isolated rural health facilities as defined by the office; and**

19 (e) **2 percent shall be credited to the Office of Rural Health to award grants to rural**
20 **health care providers that promote any of the following:**

21 (A) **Replacement or renovation of aging rural hospitals.**

22 (B) **Modernization of capital equipment.**

23 (C) **Preservation of access to local health services in rural areas through short-term**
24 **support of vulnerable rural health care providers.**

25 (D) **Expanded community health educational opportunities.**

26 (E) **Incentives for the development of long-term, sustainable approaches to providing**
27 **improved health care services and increased access to quality health care in rural areas.**

28 (F) **Collaborative approaches that sustain access to quality rural health care.**

29 (G) **Expanded or sustained health care for financially and physically vulnerable rural**
30 **populations.**

31 (H) **Operational support for rural health centers.**

32 **SECTION 2. In addition to and not in lieu of any other appropriation, there is appropri-**
33 **ated to the Oregon Department of Administrative Services for the Rural Health Care Re-**
34 **volving Account, for the biennium beginning July 1, 2009, out of the General Fund, the**
35 **amount of \$_____, which may be expended for the purposes described in ORS 323.455 (4)(c),**
36 **(d) and (e).**

37 **SECTION 3. This 2009 Act being necessary for the immediate preservation of the public**
38 **peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect**
39 **July 1, 2009.**