

**FISCAL IMPACT OF PROPOSED LEGISLATION****Measure: HB 2397**Seventy-Sixth Oregon Legislative Assembly – 2011 Regular Session  
Legislative Fiscal OfficePrepared by: John Terpening  
Reviewed by: Monica Brown  
Date: 3-2-2011**Measure Description:**

Creates loan forgiveness program for primary care practitioners in Office of Rural Health.

**Government Unit(s) Affected:**

Oregon Health Sciences University (OHSU), Department of Administrative Services (DAS)

**Summary of Expenditure Impact:**

Agency – Fund Type	2011-13 Biennium	2013-15 Biennium
Oregon Health Sciences University -- General Funds	\$525,000	\$0

**Local Government Mandate:**

This bill does not affect local governments' service levels or shared revenues sufficient to trigger Section 15, Article XI of the Oregon Constitution.

**Analysis:**

The measure creates the Primary Health Care Loan Forgiveness Program in the Office of Rural Health at the Oregon Health Sciences University for eligible primary care practitioners. The measure stipulates the eligibility and repayment requirements and establishes a maximum loan amount of \$35,000 to each participant. The loan payments are deposited into the Primary Health Care Loan Forgiveness Program Fund and any participant defaults are collected by the Department of Revenue and deposited into the fund.

The measure established the Primary Health Care Loan Forgiveness Program Fund separate and distinct from the General Fund, continuously appropriates moneys in the fund to the Office of Rural Health, and credits interest earned back to the fund. The measure appropriates \$525,000 of General Fund for the 2011-2013 biennium.

The Legislative Fiscal Office notes that the demand for the individual loans to be awarded is indeterminate. The measure does not specify if the intent of the \$525,000 General Fund appropriation is one-time or on-going, and does not specify the source of additional grant funds if the initial appropriation is expended.

This fiscal impact statement is for the purpose of transmitting the measure from the House Health Care Committee to the Joint Committee on Ways and Means. A more complete fiscal analysis on the bill will be prepared as the measure is considered in the Joint Committee on Ways and Means.