

**FISCAL IMPACT OF PROPOSED LEGISLATION**

Measure: SB 2 - 4

Seventy-Seventh Oregon Legislative Assembly – 2013 Regular Session  
Legislative Fiscal Office*Only Impacts on Original or Engrossed  
Versions are Considered Official*Prepared by: Tim Walker  
Reviewed by: Paul Siebert, Doug Wilson  
Date: 06/04/2013**Measure Description:**

Establishes Scholars for a Healthy Oregon Initiative to provide free tuition and fees for certain students in health care disciplines in exchange for student commitment to work in underrepresented locations after graduation.

**Government Unit(s) Affected:**

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

**Summary of Expenditure Impact:**

See Analysis.

**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:** This bill establishes the Scholars for a Healthy Oregon Initiative to provide free tuition and fees to certain students in health care disciplines in exchange for a commitment to work in underrepresented locations after graduation. If the participant does complete the requirements of the agreement, he or she faces financial penalties.

The -4 amendment appropriates \$2.5 million General Fund to OHSU to support the program and starts the program in 2014. OHSU anticipates a minimal fiscal to administer the program and the Department of Administrative Services does not anticipate a fiscal impact due to the provisions of this bill. OHSU anticipates being able to provide scholarships to 21 students.

Program	Assumes Program begins in 2014-2015 Academic Year	
	Students	Total Program Cost
DMD	3	551,910
MD	6	1,067,112
PA Program	4	366,220
CRNA	3	178,887
Graduate Nursing	5	302,905
	21	2,467,034

Joint Committee on Ways and Means

Carrier – House: Rep.  
Carrier – Senate: Sen.

Revenue:

Fiscal:

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Action:

Vote:

House

Yeas:

Nays:

Exc:

Senate

Yeas:

Nays:

Exc:

Prepared By: Doug Wilson, Legislative Fiscal Office

Meeting Date: [Full Committee Meeting Date]

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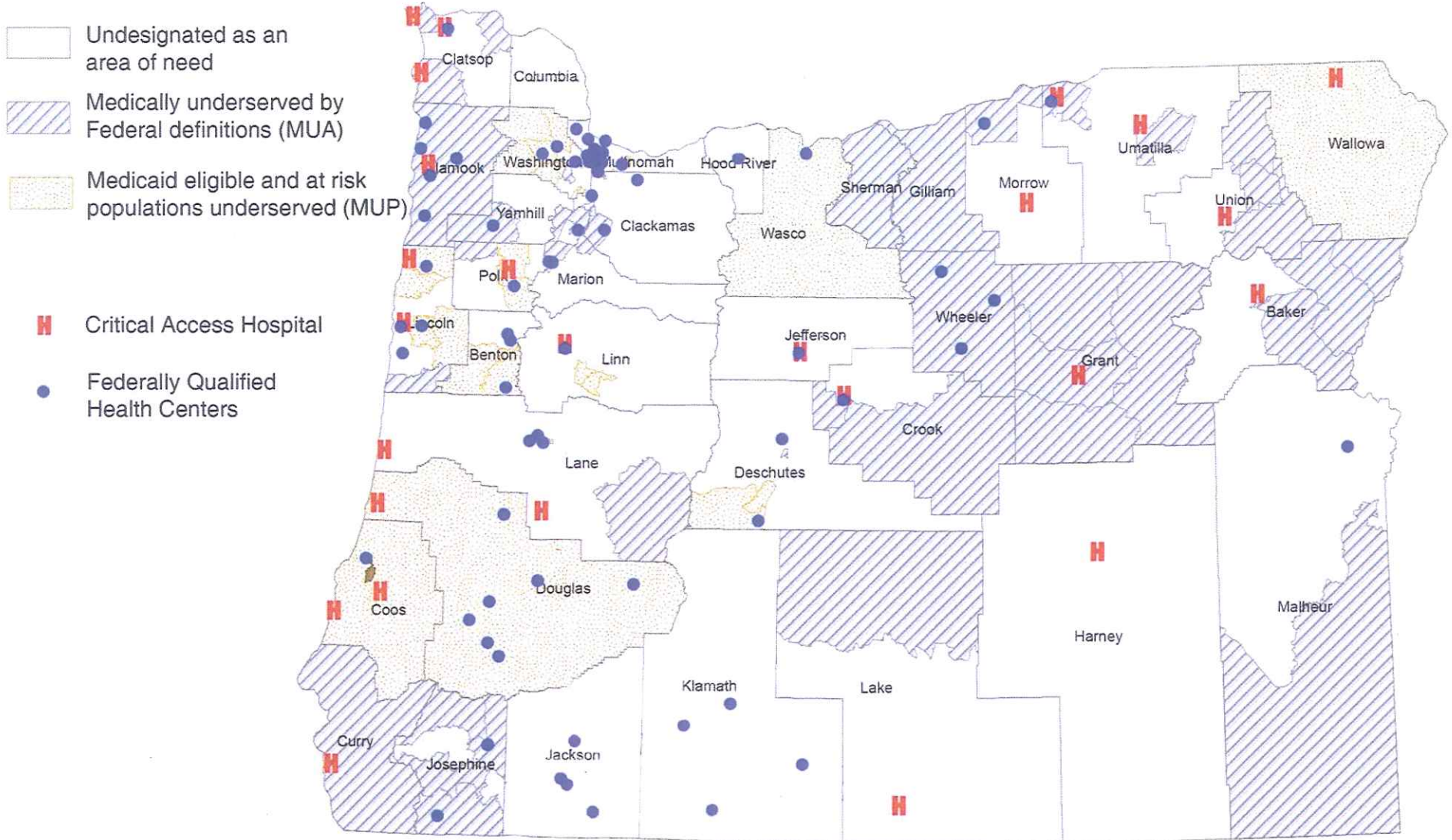
**WHAT THE MEASURE DOES:** Establishes Scholars for a Healthy Oregon Initiative to provide free tuition and fees for certain students in health care disciplines in exchange for student commitment to work in under-represented locations after graduation. Appropriates \$2,500,000 General Funds to the Department of Administrative Services to Oregon Health & Science University for initiative. The program would be effective starting in the second year of the biennium.

**ISSUES DISCUSSED:** None

**EFFECT OF COMMITTEE AMENDMENT:** Amendment changes funding amount to \$2.5 million for second year of the biennium and clarifies the definition of what under-represented area is.

**BACKGROUND:** Medical school tuition rates have reached a level that is creating challenges for students who may graduate with large debt burdens but desire to pursue primary care or rural practice after graduation. An additional concern is the inability of some students to apply to Oregon Health & Science University (OHSU) medical school because the debt after graduation makes the opportunity to practice primary care medicine appears out of reach. Students that do choose to incur medical school debt often choose to enter subspecialty areas, rather than fill the primary care needs of Oregon.

# Oregon Medically Underserved as of November 2011



Data Source: Health Resources & Services Administration (HRSA), Bureau of Health Professions

SB 2-4  
(LC 3322)  
6/4/13 (DRG/ps)

**PROPOSED AMENDMENTS TO  
SENATE BILL 2**

1 On page 1 of the printed corrected bill, line 6, after “means” insert “a  
2 rural health clinic as defined in 42 U.S.C. 1395x(aa)(2), a rural critical ac-  
3 cess hospital as defined in ORS 315.613, a federally qualified health center  
4 as defined in 42 U.S.C. 1396d(1)(2) or”.

5 On page 3, line 1, delete “biennium” and insert “even-numbered year”.

6 Delete lines 7 and 8 and insert:

7 **“SECTION 2. (1) Section 1 of this 2013 Act first applies to scholar-  
8 ship moneys expended on or after June 30, 2014.**

9 **“(2) The first report required under section 1 (11) of this 2013 Act  
10 is due on December 1, 2014.”.**

11 In line 11, delete “\$4,900,000” and insert “\$2,500,000”.

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