

77TH OREGON LEGISLATIVE ASSEMBLY  
2013 REGULAR SESSION  
STAFF MEASURE SUMMARY  
HOUSE REVENUE COMMITTEE

MEASURE: HB 2056 – B  
CARRIER:

**REVENUE: Revenue Impact Statement Issued**  
**FISCAL: Fiscal Impact Issued**

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**Action:** Do Pass with Amendments, be Printed Engrossed and be referred to Ways and Means by prior reference

**Vote:** 9-0-0

**Yeas:** Bailey, Bentz, Berger, Conger, Davis, Gelser, Read, Vega Pederson, Barnhart

**Nays:** 0

**Exc.:** 0

**Prepared By:** Dae Baek, Economist

**Meeting Dates:** 4/5

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**WHAT THE BILL DOES:** Extends the sunset of an assessment on long term care facilities for six years, until June 30, 2020. Removes provider assessment exemptions for all currently exempt providers but the Oregon Veterans' Home, on January 1, 2014. Takes effect on the 91st day after adjournment sine die.

**ISSUES DISCUSSED:**

- History of long term care facility assessment and exemptions
- Facility utilization rate and capacity reduction efforts
- Removal of assessment exemption for CCRC (continuing care retirement community)

**EFFECT OF COMMITTEE AMENDMENTS:** Removes an emergency clause.

**BACKGROUND:** This bill allows the Oregon Department of Human Services to continue to collect assessment on gross revenues of long term care facilities for six more years. Under current law, the assessment is set to expire on June 30, 2014. Collected assessments leverage matching federal funds. The bill also facilitates efforts in reducing excess capacity in long term care facilities.

When assessment exemptions are removed on January 1, 2014, there will be additional assessment collection of \$3.9 million in the second half of the fiscal year (FY) 2013-14, which will leverage \$6.7 million in matching federal funds. The extension of the sunset makes possible additional collection of assessment beyond the 2013-14 FY. \$57.6 million in the FY 2014-15 will be matched by \$98.8 million in federal funds. The assessment of \$127.7 million for the 2015-17 biennium will bring in \$218.0 million in leveraged federal funds.