

STAFF MEASURE SUMMARY

House Committee On Health Care

Fiscal: Fiscal impact issued

Revenue: No Revenue Impact

Action Date: 04/10/15

Action: Do Pass.

Meeting Dates: 04/03, 04/10

Vote:

Yeas: 8 - Buehler, Clem, Greenlick, Hayden, Kennemer, Keny-Guyer, Lively, Nosse

Exc: 1 - Weidner

Prepared By: Sandy Thiele-Cirka, Committee Administrator

WHAT THE MEASURE DOES:

Expands definition of “hospital facility” to include “behavioral treatment facility” and “family safety facility” for the purpose of allowing local authorities to issue conduit bonds for capital projects.

ISSUES DISCUSSED:

- Additional tool for financing, building and maintaining facilities
- Local authority to issue conduit bonds for capital projects
- Tax exempt bonds
- Adding “behavioral treatment facility” and “family safety facility” definitions

EFFECT OF COMMITTEE AMENDMENT:

No amendment.

BACKGROUND:

Conduit bonds are bonds issued by a municipality on behalf of a private entity. Generally, conduit bonds are issued to fund projects by non-profit entities. Public housing is an example of such funding. Currently, ORS 441.525-595 allow local authorities to issue conduit bonds to finance facilities for medical care and support services. However, only hospitals and certain facilities serving elderly and disabled persons are able to utilize these provisions.

House Bill 3132 allows the county to issue tax-exempt bonds for an organization seeking to build a mental health treatment facility as long as the facility has a residential component of 72-hour minimum stay to a 12-month maximum.