# House Bill 2913

Sponsored by COMMITTEE ON CONSUMER PROTECTION AND GOVERNMENT EFFECTIVENESS

# 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 as introduced.

Deletes outdated and obsolete provisions and updates references in laws relating to human services programs or services.

Declares emergency, effective on passage.

#### A BILL FOR AN ACT

Relating to human services; creating new provisions; amending ORS 291.055, 409.260, 410.530, 2 411.010, 411.091, 411.141, 412.054, 412.064, 442.490, 442.505, 442.520, 731.292 and 731.840; repealing 3 ORS 409.182, 411.818, 413.592, 414.721, 430.925, 440.420, 743.775, 743.951, 743.960, 743.961, 743.965 4 and 743.990; and declaring an emergency.  $\mathbf{5}$ 

Be It Enacted by the People of the State of Oregon: 6

7 SECTION 1. This 2015 Act is prepared pursuant to section 1, chapter 101, Oregon Laws 2014. 8

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# SECTION 2. ORS 409.182 is repealed.

NOTE: Repeals outdated provision requiring the Department of Human Services to conduct an 10 evaluation of processes to reduce administrative and resource burdens on human services providers 11 12

and report the results to the Seventy-seventh Legislative Assembly.

SECTION 3. ORS 409.260 is amended to read: 13

14 409.260. (1) There is established in the General Fund of the State Treasury an account consisting of moneys received by the Department of Human Services for child welfare services, 15 16 to be known as the Services to Children and Families Account. All moneys in the Services to Chil-17dren and Families Account are continuously appropriated to the Department of Human Services and shall be used by the department for the purposes authorized by law. The moneys in the Services to 18 19 Children and Families Account are subject to allotment control by the Oregon Department of Ad-20 ministrative Services under ORS 291.232 to 291.260.

(2) The Department of Human Services shall keep a record of all moneys credited to and de-2122posited in the Services to Children and Families Account. The record shall indicate by separate 23cumulative accounts the source from which the moneys are derived and the individual activity or 24 program against which each withdrawal is charged.

25(3) In addition to sources provided under other laws, the sources of [revenues] moneys in the 26 Services to Children and Families Account may include [recoveries of the cost of care provided to clients,] amounts paid to the Department of Human Services by other organizations and state agen-27 28 cies in support of the department's programs and activities and other moneys received by the department that are incidental to its operations. 29

30 NOTE: Clarifies that moneys in Services to Children and Families Account that are continuously appropriated to the Department of Human Services are to be used for child welfare purposes. 31

1 Removes reference to sources of moneys unrelated to child welfare services.

2 **SECTION 4.** ORS 410.530, as amended by section 37, chapter 45, Oregon Laws 2014, is amended 3 to read:

4 410.530. (1) The Department of Human Services has the following authority which it may dele-5 gate to any program certified by the department to provide assessment services:

6 (a) To provide information and education to the general public, hospitals, nursing facilities, 7 physicians, physician assistants and nurses regarding availability of the assessment program.

8 (b) To accept referrals from individuals, families, physicians, human service professionals, nurs-9 ing home professionals, social service agencies or other organizations.

(c) To assess the long term care needs of referred persons.

(d) To identify available noninstitutional services to meet the needs of referred persons, includ ing public and private case management services.

(e) To prepare, explain and document recommendations for persons receiving assessment program services as to the need for skilled nursing care, for intermediate care as provided in a facility
or for other care which is available in the community.

(f) To inform referred persons of the extent to which home and community-based services are available, and of their right to choose among the appropriate alternatives that may be available, in consultation with an attending physician and a family member.

(g) To provide public education targeted at older persons, care givers and families regardingalternative long term care services.

(h) To determine and publish minimum qualifications for members of the admission assessmentteam.

(2)(a) After consultation with the committee appointed under subsection (3) of this section, the Department of Human Services shall adopt by rule criteria and procedures for certifying and decertifying public or private admission assessment programs and contracting with certified programs. The department shall establish a maximum fee that a certified program may charge for assessment services. The rules shall specify that a certified program may not charge the person receiving assessment services for any portion of the fee associated with the services necessary to meet the minimum federal criteria.

30 (b) In certifying a program, the department shall determine that the program includes:

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31 (A) Adequately trained personnel;

(B) Information regarding appropriate service and placement alternatives, including nursing fa cilities and community-based options;

(C) Provisions to the applicant of information about appropriate options; and

35 (D) Prohibition of an assessment being provided by any certified program which has any finan-36 cial interest in the facility to which placement is recommended.

(c) The program shall not require the recommendation of the admission team be binding and theapplicant has the right to choose from any options that are available.

(3) The Director of Human Services shall appoint an advisory committee to advise the department in certifying and decertifying programs that provide or fail to provide the service described in this section. The director shall appoint representatives from [the Oregon Association of Hospitals, the Oregon Health Care Association, the Oregon Association of Homes for the Aging and representatives of organizations of seniors] trade associations in Oregon for hospitals and health systems, nursing facilities and residential facilities and from an organization in Oregon representing the interests of senior citizens.

1 **NOTE:** Deletes references in long term care laws to specific private organizations, some of

2 which have new names or do not exist, and replaces them with generic descriptions of organizations.

3 **SECTION 5.** ORS 411.010 is amended to read:

4 411.010. As used in this chapter and in other statutes providing for assistance and services to 5 needy persons, unless the context or a specially applicable statutory definition requires otherwise:

6 (1) "General assistance" means assistance or service of any character provided to needy persons 7 not otherwise provided for to the extent of such need and the availability of funds, including med-8 ical, surgical and hospital or other remedial care.

9 (2) "Public assistance" means the following types of assistance:

10 (a) Temporary assistance for needy families granted under ORS 412.001 to 412.069 [and 11 418.647];

12 (b) General assistance granted under ORS 411.710 to 411.730;

13 (c) Assistance provided by the Oregon Supplemental Income Program;

(d) General assistance other than general assistance granted under ORS 411.710 to 411.730; and
(e) Any other functions, except the administration of medical assistance by the Oregon Health
Authority, that may be delegated to the Director of Human Services by or in accordance with federal and state laws.

18 NOTE: Amends definition of "public assistance" in human services laws to delete inappropriate 19 reference to ORS 418.647 relating to the foster care payments program.

20 **SECTION 6.** ORS 411.091 is amended to read:

411.091. (1) For all recipients who are on the monthly reporting system, the Department of Human Services [shall have] has 10 calendar days from the date the department receives a complete monthly report to [issue] credit the recipient's [assistance check] electronic benefits transfer card for that month.

(2) If the department fails to [*issue a check*] **credit the recipient's electronic benefits transfer card** in a timely manner pursuant to this section, the recipient may request [*same day issuance of the check from the local office*] **that the recipient's electronic benefits transfer card be immediately credited for the amount of assistance due to the recipient**. The department shall pay the recipient a sum equal to one-tenth of the household's monthly assistance grant if the department fails to [*issue the check the same day*] **credit the recipient's electronic benefits transfer card:** 

31 32 (a) For a request made prior to noon on a business day, by the end of the day.

(b) For a request made after noon on a business day, by noon of the next business day.

(3) The payment of the sum described in subsection (2) of this section shall be treated as
 a resource and not counted as income by the department.

[(3) As used in this section, "same day" means that the request is received by the local office before
12 noon.]

NOTE: Updates public assistance laws to reflect current use of electronic benefits transfer
 cards instead of checks for issuing public assistance.

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SECTION 7. ORS 411.141 is amended to read:

40 411.141. The Department of Human Services may, subject to the allotment system provided for 41 in ORS 291.234 to 291.260, expend such sums as are required to be expended in this state to provide 42 public assistance. Expenditures for public assistance include, but are not limited to, expenditures for 43 the following purposes:

44 (1) Temporary assistance for needy families granted under ORS 412.001 to 412.069 [and 45 418.647], including services to relatives with whom dependent children applying for or receiving

temporary assistance for needy families are living in order to help such relatives attain the maxi-1

2 mum self-support or self-care consistent with the maintenance of continuing parental care and pro-

tection or in order to maintain and strengthen family life for such children. 3

(2) Assistance provided by the Oregon Supplemental Income Program and medical assistance 4 provided to recipients of assistance under the Oregon Supplemental Income Program.  $\mathbf{5}$ 

(3) General assistance granted under ORS 411.710 to 411.730. 6

(4) Carrying out the provisions of law for child welfare purposes.

(5) Scholarships or grants for qualified recipients to provide them education and professional, 8 9 technical or other helpful training, payable to a publicly supported career school or educational in-

stitution on behalf of the recipient. 10

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11 (6) Other purposes for which the department is authorized to expend funds, including the ad-12 ministration expenses of the department.

13 (7) Carrying out the provisions of ORS 411.116.

**NOTE:** Amends law relating to payment of public assistance to delete inappropriate reference 14 15

to ORS 418.647 relating to the foster care payments program.

16 SECTION 8. ORS 411.818 is repealed.

17 **NOTE:** Repeals requirement to implement an eligibility change for the Supplemental Nutrition 18 Assistance Program pursuant to a federal waiver because the application for the federal waiver was 19 denied by the United States Department of Agriculture.

20SECTION 9. ORS 412.054 is amended to read:

21412.054. Application for aid under ORS 412.001 to 412.069 [and 418.647] shall be made to the 22Department of Human Services by the relative with whom the child lives. The application shall be 23in the manner and upon the form prescribed by the department.

**NOTE:** Amends law relating to application for temporary assistance for needy families to delete 94 inappropriate reference to ORS 418.647 relating to the foster care payments program. 25

SECTION 10. ORS 412.064 is amended to read: 26

27412.064. The Department of Human Services shall decide whether the child is eligible for aid under ORS 412.001 to 412.069 [and 418.647] and determine the date on which the aid granted shall 28begin. 29

30 NOTE: Amends law relating to eligibility for temporary assistance to needy families to delete 31 inappropriate reference to ORS 418.647 relating to the foster care payments program.

SECTION 11. ORS 413.592 is repealed. 32

NOTE: Repeals obsolete provisions requiring health care providers to complete a pain manage-33 34 ment education program by 2008.

SECTION 12. ORS 430.925 is repealed. 35

**NOTE:** Repeals provisions regarding demonstration pilot projects in local health departments 36 37 to alleviate the health related problems of pregnant and postpartum women and infants arising from

38 substance use. The projects began in 1989 and are no longer in operation.

SECTION 13. ORS 440.420 is repealed. 39

40 **NOTE:** Repeals provisions regarding the Medicaid upper payment limit financing methodology that is no longer in use. 41

SECTION 14. ORS 442.490 is amended to read: 42

442.490. (1) In carrying out its responsibilities, the Office of Rural Health shall be advised by 43 the Rural Health Coordinating Council. All members of the Rural Health Coordinating Council shall 44 have knowledge, interest, expertise or experience in rural areas and health care delivery. The 45

membership of the Rural Health Coordinating Council shall consist of: 1 2 (a) One primary care physician who is appointed by the office from a list of physicians recommended by the Oregon Medical Association and one primary care physician appointed by the 3 office from a list of physicians recommended by the [Oregon Osteopathic Association] 4 Osteopathic Physicians and Surgeons of Oregon; 5 (b) One nurse practitioner who is appointed by the office from a list of nurse practitioners 6 recommended by the Oregon [Nursing] Nurses Association; 7 (c) One pharmacist who is appointed by the State Board of Pharmacy; 8 9 (d) Five consumers who are appointed by the Governor as follows: (A) One consumer representative from each of [the] three rural health service areas as defined 10 by the office; and 11 12(B) Two consumer representatives at large from communities of less than 3,500 people; (e) One representative appointed by the office from a list of individuals recommended by the 13 Conference of Local Health Officials; 14 15 (f) One volunteer emergency medical services provider from a community of less than 3,500 people appointed by office from a list of providers recommended by the Oregon [State EMT] 16 **EMS** Association; 17 18 (g) One representative appointed by the office from a list of individuals recommended by the Oregon Association for Home Care; 19 (h) One representative from the Oregon Health and Science University, appointed by the presi-20dent of the Oregon Health and Science University; 2122(i) One representative from the Oregon Association of Hospitals and Health Systems, appointed by the office from a list of individuals recommended by the Oregon Association of Hospitals and 23Health Systems; 24 (i) One dentist appointed by the office from a list of dentists recommended by the Oregon 2526Dental Association; 27(k) One optometrist appointed by the office from a list of optometrists recommended by the Oregon **Optometric Physicians** Association [of Optometry]; 28 (L) One physician assistant who is appointed by the office from a list of physician assistants 2930 recommended by the Oregon Society of Physician Assistants; and 31 (m) One naturopathic physician appointed by the office from a list of physicians recommended by the Oregon Association of Naturopathic Physicians. 32(2) The Rural Health Coordinating Council shall elect a chairperson and vice chairperson. 33 34 (3) A member of the council is entitled to compensation and expenses as provided in ORS 292.495 35(4) The chairperson may appoint nonvoting, advisory members of the Rural Health Coordinating 36 37 Council. However, advisory members without voting rights are not entitled to compensation or re-38 imbursement as provided in ORS 292.495. (5) Members shall serve for two-year terms. 39 (6) The Rural Health Coordinating Council shall report its findings to the Office of Rural Health. 40 NOTE: Clarifies method of appointment of members of Rural Health Coordinating Council. 41 Clarifies consumer membership on the council. Updates names of private organizations represented 42 on the council. 43 SECTION 15. ORS 442.505 is amended to read: 44 442.505. The Office of Rural Health shall institute a program to provide technical assistance to 45

**rural** hospitals [*defined by the office as rural*]. The Office of Rural Health shall be primarily responsible for providing:

3 (1) A recruitment and retention program for physicians and other primary care providers in
 4 rural areas.

5 (2) An informational link between rural hospitals and state and federal policies regarding regu-6 lations and payment sources.

7 (3) A system for effectively networking rural hospitals and providers so that they may compete
8 or negotiate with urban based health maintenance organizations.

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(4) Assistance to rural hospitals in identifying strengths, weaknesses, opportunities and threats.

10 (5) In conjunction with [the Oregon Association of Hospitals] a trade association representing

11 hospitals and health systems in Oregon, a report that identifies models that will replace or re-12 structure inefficient health services in rural areas.

NOTE: Substitutes use of defined term "rural hospital" in law directing Office of Rural Health to provide technical assistance to rural hospitals. Updates reference to Oregon Association of Hospitals to a generic reference to a trade association representing hospitals and health systems in Oregon.

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SECTION 16. ORS 442.520 is amended to read:

18 442.520. (1) Subject to the formula set out in subsection (2) of this section, the Office of Rural 19 Health, in consultation with [*the Oregon Association of Hospitals*] **a trade association representing** 20 **hospitals and health systems in Oregon**, shall establish a risk assessment formula to identify the 21 relative risk of a rural hospital, as defined in ORS 442.470.

(2) To assess the degree of risk faced by each rural hospital, the risk assessment formula de veloped by the Office of Rural Health, in consultation with [*the Oregon Association of Hospitals*] a
 trade association representing hospitals and health systems in Oregon, shall include the fol lowing categories:

(a) Organizational risk: The financial situation of each facility, as measured by a nationally ac cepted formula that identifies the hospital's current and future financial viability;

(b) Population risk: The impact that a hospital closure would have on the health care needs of
the citizens of each hospital's respective service area, as measured by an index that includes medically underserved, distance and target population components; and

(c) Economic risk: The direct and indirect economic contribution made to the communities of
each hospital's respective service area, as measured by an index that measures the overall economic
benefit added to the service area community by the hospital.

34 **NOTE:** Updates reference to Oregon Association of Hospitals to a generic reference to a trade 35 association representing hospitals and health systems in Oregon.

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# SECTION 17. ORS 743.775 is repealed.

NOTE: Repeals requirement for Department of Consumer and Business Services to collect data
 on the impact of 2003 amendments to statutes relating to individual health benefit plans.

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# SECTION 18. ORS 414.721, 743.951, 743.960, 743.961, 743.965 and 743.990 are repealed.

40 **NOTE:** Repeals statutes governing expired assessment on health insurance premiums and on 41 claims to self-insured health plans.

42 SECTION 19. ORS 291.055 is amended to read:

291.055. (1) Notwithstanding any other law that grants to a state agency the authority to establish fees, all new state agency fees or fee increases adopted during the period beginning on the
date of adjournment sine die of a regular session of the Legislative Assembly and ending on the date

of adjournment sine die of the next regular session of the Legislative Assembly: 1 2 (a) Are not effective for agencies in the executive department of government unless approved in writing by the Director of the Oregon Department of Administrative Services; 3 (b) Are not effective for agencies in the judicial department of government unless approved in 4 writing by the Chief Justice of the Supreme Court; 5 (c) Are not effective for agencies in the legislative department of government unless approved 6 in writing by the President of the Senate and the Speaker of the House of Representatives; 7 (d) Shall be reported by the state agency to the Oregon Department of Administrative Services 8 9 within 10 days of their adoption; and 10 (e) Are rescinded on adjournment sine die of the next regular session of the Legislative Assembly as described in this subsection, unless otherwise authorized by enabling legislation setting forth 11 12 the approved fees. 13 (2) This section does not apply to: (a) Any tuition or fees charged by a public university listed in ORS 352.002. 14 15 (b) Taxes or other payments made or collected from employers for unemployment insurance required by ORS chapter 657 or premium assessments required by ORS 656.612 and 656.614 or contri-16 butions and assessments calculated by cents per hour for workers' compensation coverage required 17 18 by ORS 656.506. 19 (c) Fees or payments required for: (A) Health care services provided by the Oregon Health and Science University, by the Oregon 20Veterans' Homes and by other state agencies and institutions pursuant to ORS 179.610 to 179.770. 2122(B) Assessments imposed by the Oregon Medical Insurance Pool Board under section 2, chapter 23698, Oregon Laws 2013. (C) Copayments and premiums paid to the Oregon medical assistance program. 24 25[(D) Assessments paid to the Department of Consumer and Business Services under ORS 743.951 and 743.961.] 2627(d) Fees created or authorized by statute that have no established rate or amount but are calculated for each separate instance for each fee payer and are based on actual cost of services pro-28vided. 2930 (e) State agency charges on employees for benefits and services. 31 (f) Any intergovernmental charges. (g) Forest protection district assessment rates established by ORS 477.210 to 477.265 and the 32Oregon Forest Land Protection Fund fees established by ORS 477.760. 33 34 (h) State Department of Energy assessments required by ORS 469.421 (8) and 469.681. 35(i) Assessments on premiums charged by the Department of Consumer and Business Services pursuant to ORS 731.804 or fees charged by the Division of Finance and Corporate Securities of the 36 37 Department of Consumer and Business Services to banks, trusts and credit unions pursuant to ORS 38 706.530 and 723.114. (j) Public Utility Commission operating assessments required by ORS 756.310 or charges paid to 39 the Residential Service Protection Fund required by chapter 290, Oregon Laws 1987. 40 (k) Fees charged by the Housing and Community Services Department for intellectual property 41 pursuant to ORS 456.562. 42

(L) New or increased fees that are anticipated in the legislative budgeting process for an
agency, revenues from which are included, explicitly or implicitly, in the legislatively adopted
budget or the legislatively approved budget for the agency.

(m) Tolls approved by the Oregon Transportation Commission pursuant to ORS 383.004. 1 2 (n) Convenience fees as defined in ORS 182.126 and established by the Oregon Department of Administrative Services under ORS 182.132 (3) and recommended by the Electronic Government 3 Portal Advisory Board. 4 (3)(a) Fees temporarily decreased for competitive or promotional reasons or because of unex-5 pected and temporary revenue surpluses may be increased to not more than their prior level without 6 compliance with subsection (1) of this section if, at the time the fee is decreased, the state agency 7 specifies the following: 8 9 (A) The reason for the fee decrease; and (B) The conditions under which the fee will be increased to not more than its prior level. 10 (b) Fees that are decreased for reasons other than those described in paragraph (a) of this sub-11 12 section may not be subsequently increased except as allowed by ORS 291.050 to 291.060 and 294.160. NOTE: Conforming amendment for repeal of ORS 743.951 to 743.965 and 743.990 by section 18 13 of this 2015 Act. 14 15 SECTION 20. ORS 291.055, as amended by section 36, chapter 698, Oregon Laws 2013, is amended to read: 16 291.055. (1) Notwithstanding any other law that grants to a state agency the authority to es-17 18 tablish fees, all new state agency fees or fee increases adopted during the period beginning on the 19 date of adjournment sine die of a regular session of the Legislative Assembly and ending on the date 20 of adjournment sine die of the next regular session of the Legislative Assembly: (a) Are not effective for agencies in the executive department of government unless approved 2122in writing by the Director of the Oregon Department of Administrative Services; 23(b) Are not effective for agencies in the judicial department of government unless approved in writing by the Chief Justice of the Supreme Court; 24 (c) Are not effective for agencies in the legislative department of government unless approved 25in writing by the President of the Senate and the Speaker of the House of Representatives; 2627(d) Shall be reported by the state agency to the Oregon Department of Administrative Services within 10 days of their adoption; and 28 (e) Are rescinded on adjournment sine die of the next regular session of the Legislative Assem-2930 bly as described in this subsection, unless otherwise authorized by enabling legislation setting forth 31 the approved fees. 32(2) This section does not apply to: (a) Any tuition or fees charged by a public university listed in ORS 352.002. 33 34 (b) Taxes or other payments made or collected from employers for unemployment insurance required by ORS chapter 657 or premium assessments required by ORS 656.612 and 656.614 or contri-35butions and assessments calculated by cents per hour for workers' compensation coverage required 36 37 by ORS 656.506. 38 (c) Fees or payments required for: (A) Health care services provided by the Oregon Health and Science University, by the Oregon 39 Veterans' Homes and by other state agencies and institutions pursuant to ORS 179.610 to 179.770. 40 (B) Copayments and premiums paid to the Oregon medical assistance program. 41 [(C) Assessments paid to the Department of Consumer and Business Services under ORS 743.951 42 and 743.961.] 43

(d) Fees created or authorized by statute that have no established rate or amount but are cal-culated for each separate instance for each fee payer and are based on actual cost of services pro-

vided. 1 2 (e) State agency charges on employees for benefits and services. 3 (f) Any intergovernmental charges. (g) Forest protection district assessment rates established by ORS 477.210 to 477.265 and the 4 Oregon Forest Land Protection Fund fees established by ORS 477.760. 5 (h) State Department of Energy assessments required by ORS 469.421 (8) and 469.681. 6 (i) Assessments on premiums charged by the Department of Consumer and Business Services 7 pursuant to ORS 731.804 or fees charged by the Division of Finance and Corporate Securities of the 8 9 Department of Consumer and Business Services to banks, trusts and credit unions pursuant to ORS 706.530 and 723.114. 10 (j) Public Utility Commission operating assessments required by ORS 756.310 or charges paid to 11 12 the Residential Service Protection Fund required by chapter 290, Oregon Laws 1987. 13 (k) Fees charged by the Housing and Community Services Department for intellectual property pursuant to ORS 456.562. 14 15 (L) New or increased fees that are anticipated in the legislative budgeting process for an agency, revenues from which are included, explicitly or implicitly, in the legislatively adopted 16 budget or the legislatively approved budget for the agency. 17 18 (m) Tolls approved by the Oregon Transportation Commission pursuant to ORS 383.004. (n) Convenience fees as defined in ORS 182.126 and established by the Oregon Department of 19 Administrative Services under ORS 182.132 (3) and recommended by the Electronic Government 20Portal Advisory Board. 2122(3)(a) Fees temporarily decreased for competitive or promotional reasons or because of unexpected and temporary revenue surpluses may be increased to not more than their prior level without 23compliance with subsection (1) of this section if, at the time the fee is decreased, the state agency 94 specifies the following: 25(A) The reason for the fee decrease; and 2627(B) The conditions under which the fee will be increased to not more than its prior level. (b) Fees that are decreased for reasons other than those described in paragraph (a) of this sub-28section may not be subsequently increased except as allowed by ORS 291.050 to 291.060 and 294.160. 2930 NOTE: Conforming amendment for repeal of ORS 743.951 to 743.965 and 743.990 by section 18 31 of this 2015 Act. SECTION 21. ORS 731.292 is amended to read: 32731.292. (1) Except as provided in subsections (2)[,] and (3) [and (4)] of this section, all fees, 33 34 charges and other moneys received by the Department of Consumer and Business Services or the 35Director of the Department of Consumer and Business Services under the Insurance Code shall be deposited in the fund created by ORS 705.145 and are continuously appropriated to the department 36 37 for the payment of the expenses of the department in carrying out the Insurance Code. 38 (2) All taxes and penalties paid pursuant to the Insurance Code shall be paid to the director and after deductions of refunds shall be paid by the director to the State Treasurer, at the end of every 39 calendar month or more often in the director's discretion, for deposit in the General Fund to become 40

41 available for general governmental expenses.

42 (3) All premium taxes received by the director pursuant to ORS 731.820 shall be paid by the
 43 director to the State Treasurer for deposit in the State Fire Marshal Fund.

44 [(4) Assessments received by the department under ORS 743.951 and 743.961 and penalties received 45 by the department under ORS 743.990 and section 10, chapter 867, Oregon Laws 2009, shall be paid

1 into the State Treasury and credited to the Health System Fund established in section 1, chapter 867,

2 Oregon Laws 2009, after deducting the following amounts:]

3 [(a) Amounts needed to reimburse the department for expenses in administering ORS 743.951 to 4 743.965 and 743.990; and]

5 [(b) Amounts needed to reimburse the General Fund for reductions in revenue caused by the effect 6 of ORS 743.961 on the retaliatory tax imposed under ORS 731.854 and 731.859.]

NOTE: Conforming amendment for repeal of ORS 743.951 to 743.965 and 743.990 by section 18
of this 2015 Act.

9 SECTION 22. ORS 731.840 is amended to read:

731.840. (1) The retaliatory tax imposed upon a foreign or alien insurer under ORS 731.854 and 10 731.859, or the corporate excise tax imposed upon a foreign or alien insurer under ORS chapter 317, 11 12 is in lieu of all other state taxes upon premiums, taxes upon income, franchise or other taxes 13 measured by income that might otherwise be imposed upon the foreign or alien insurer except the fire insurance premiums tax imposed under ORS 731.820[,] and the tax imposed upon wet marine and 14 15 transportation insurers under ORS 731.824 and 731.828[, and the assessment imposed under ORS 16 743.961]. However, all real and personal property, if any, of the insurer shall be listed, assessed and taxed the same as real and personal property of like character of noninsurers. Nothing in this sub-17 18 section shall be construed to preclude the imposition of the assessments imposed under ORS 656.612 upon a foreign or alien insurer. 19

20 (2) Subsection (1) of this section applies to a reciprocal insurer and its attorney in its capacity 21 as such.

(3) Subsection (1) of this section applies to foreign or alien title insurers and to foreign or alien
wet marine and transportation insurers issuing policies and subject to taxes referred to in ORS
731.824 and 731.828.

(4) The State of Oregon hereby preempts the field of regulating or of imposing excise, privilege,
franchise, income, license, permit, registration, and similar taxes, licenses and fees upon insurers
and their insurance producers and other representatives as such, and:

(a) No county, city, district, or other political subdivision or agency in this state shall so regulate, or shall levy upon insurers, or upon their insurance producers and representatives as such, any such tax, license or fee; except that whenever a county, city, district or other political subdivision levies or imposes generally on a nondiscriminatory basis throughout the jurisdiction of the taxing authority a payroll, excise or income tax, as otherwise provided by law, such tax may be levied or imposed upon domestic insurers; and

(b) No county, city, district, political subdivision or agency in this state shall require of any
insurer, insurance producer or representative, duly authorized or licensed as such under the Insurance Code, any additional authorization, license, or permit of any kind for conducting therein
transactions otherwise lawful under the authority or license granted under this code.

NOTE: Conforming amendment for repeal of ORS 743.951 to 743.965 and 743.990 by section 18
 of this 2015 Act.

40 <u>SECTION 23.</u> This 2015 Act being necessary for the immediate preservation of the public 41 peace, health and safety, an emergency is declared to exist, and this 2015 Act takes effect 42 on its passage.

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