

**PROPOSED AMENDMENTS TO  
HOUSE BILL 3034**

1 On page 1 of the printed bill, line 3, delete “and 307.162” and insert “,  
2 307.162 and 442.205”.

3 Delete lines 6 through 28.

4 On page 2, delete lines 1 through 8 and insert:

5 **“SECTION 1. (1) As used in this section:**

6 **“(a) ‘Acutely ill’ means suffering from a condition or illness that**  
7 **has a sudden onset and is of short duration.**

8 **“(b) ‘Charity care’ has the meaning given that term in ORS 442.200.**

9 **“(c) ‘Federally qualified health center’ means a clinic that is re-**  
10 **cognized and certified by the Centers for Medicare and Medicaid Ser-**  
11 **vices as meeting federal requirements as a federally qualified health**  
12 **center.**

13 **“(d) ‘Health services’ has the meaning given that term in ORS**  
14 **442.015.**

15 **“(e) ‘Hospital’ has the meaning given that term in ORS 442.015.**

16 **“(f) ‘Nonprofit corporation’ means a corporation that:**

17 **“(A) Is organized not for profit, pursuant to ORS chapter 65 or any**  
18 **predecessor of ORS chapter 65; or**

19 **“(B) Is organized and operated as described under section 501(c) of**  
20 **the Internal Revenue Code as defined in section 15, chapter 52, Oregon**  
21 **Laws 2014.**

22 **“(g) ‘Nonprofit corporation that provides health services’ means a**

1 nonprofit corporation that operates a health care facility licensed by  
2 the Oregon Health Authority to provide health services.

3 “(h) ‘School-based health center’ has the meaning given that term  
4 in ORS 413.225.

5 “(2) Upon compliance with ORS 307.162, all real or personal property  
6 owned or being purchased by a nonprofit corporation that provides  
7 health services shall be exempt from property taxation only in ac-  
8 cordance with subsections (3) to (5) of this section.

9 “(3) A hospital or a portion of a hospital is exempt from taxation  
10 under this section to the extent that the hospital or portion of the  
11 hospital is occupied or used to provide:

12 “(a) Diagnosis and medical or surgical treatment primarily for  
13 acutely ill patients and accident victims;

14 “(b) 24-hour inpatient care; or

15 “(c) Administrative services necessary for the medical or surgical  
16 treatment described in paragraph (a) of this subsection.

17 “(4) Federally qualified health centers and school-based health cen-  
18 ters are exempt from taxation under this section.

19 “(5)(a) Property is partially exempt under this section, as provided  
20 in paragraph (b) of this subsection, if the Oregon Health Authority  
21 determines that the property is occupied or used to provide charity  
22 care or for administrative services necessary to providing the charity  
23 care.

24 “(b) The partial exemption allowed under this subsection shall apply  
25 to the property if charity care accounts for at least 7.5 percent of the  
26 net annual patient revenue of the nonprofit corporation that provides  
27 health services. The percentage of the partial exemption shall be equal  
28 to twice the percentage that the net annual patient revenue of the  
29 nonprofit corporation attributable to charity care bears to the total  
30 net annual patient revenue of the nonprofit corporation. The partial

1 **exemption allowed under this subsection may be equal to, but not**  
2 **greater than, 100 percent.”.**

3 In line 20, delete “(4)” and insert “(5)”.

4 On page 3, line 14, delete “(4)” and insert “(5)”.

5 In line 17, delete “(4)” and insert “(5)”.

6 In line 18, delete “gross” and insert “net”.

7 On page 6, delete line 45 and delete page 7 and insert:

8 **“SECTION 6.** ORS 442.205 is amended to read:

9 “442.205. (1) The Administrator of the Office for Oregon Health Policy and  
10 Research shall by rule adopt a cost-based community benefit reporting sys-  
11 tem for hospitals operating in Oregon that is consistent with established  
12 national standards for hospital reporting of community benefits.

13 “(2) Within 90 days of filing a Medicare cost report, a hospital must  
14 submit a community benefit report to the Office for Oregon Health Policy  
15 and Research of the community benefits provided by the hospital, on a form  
16 prescribed by the administrator.

17 **“(3) The administrator shall by rule adopt a cost-based charity care**  
18 **reporting system for property owned or being purchased by a nonprofit**  
19 **corporation that provides health services as defined in section 1 of this**  
20 **2015 Act. A nonprofit corporation seeking a property tax exemption**  
21 **under section 1 (3) or (5) of this 2015 Act for a hospital or portion of**  
22 **a hospital or other property must submit to the office, on a form**  
23 **prescribed by the administrator, a report detailing the charity care**  
24 **provided by the property for which the tax exemption is sought.**

25 “[~~(3)~~] (4) The administrator shall produce an annual report of the infor-  
26 mation provided under subsections (1) [~~and (2)~~] **to (3)** of this section. The  
27 report shall be submitted to the Governor, the President of the Senate and  
28 the Speaker of the House of Representatives. The report shall be presented  
29 to the Legislative Assembly during each odd-numbered year regular session  
30 and shall be made available to the public.

1       “~~(4)~~ (5) The administrator may adopt all rules necessary to carry out the  
2 provisions of this section.

3       “**SECTION 7. Section 1 of this 2015 Act and the amendments to ORS  
4 307.112, 307.130, 307.162 and 442.205 and section 15, chapter 52, Oregon  
5 Laws 2014, by sections 2 to 6 of this 2015 Act apply to property tax  
6 years beginning on or after July 1, 2015.**

7       “**SECTION 8. This 2015 Act takes effect on the 91st day after the  
8 date on which the 2015 regular session of the Seventy-eighth Legisla-  
9 tive Assembly adjourns sine die.”.**

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