

## SB 754 STAFF MEASURE SUMMARY

### Senate Committee On Health Care

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**Action Date:** 02/27/19

**Action:** Do pass and refer to Tax Expenditures by prior reference.

**Vote:** 3-0-2-0

**Yeas:** 3 - Beyer, Linthicum, Monnes Anderson

**Exc:** 2 - Fagan, Knopp

**Fiscal:** Fiscal impact issued

**Revenue:** Revenue impact issued

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**Meeting Dates:** 2/25, 2/27

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#### WHAT THE MEASURE DOES:

Creates \$10,000 tax credit for rural nurse faculty members. Defines "approved nursing education program," "nurse faculty member," and "rural area." Allows nonresidents to claim tax credit. Requires the Office of Rural Health to establish criteria for certifying individuals eligible for tax credit and approving nursing education programs. Applies to tax years beginning on or after January 1, 2020, and before January 1, 2026. Takes effect on 91st day following adjournment sine die.

#### ISSUES DISCUSSED:

- Nursing workforce shortage impacts
- Nursing faculty salaries versus salaries for practicing nurses
- Cost of using travel nurses
- Future review of tax credit effectiveness

#### EFFECT OF AMENDMENT:

No amendment.

#### BACKGROUND:

The Oregon Office of Rural Health (ORH) has been the coordinating body for rural and frontier health in Oregon since 1979. ORH partnered with Oregon Health & Science University (OHSU) in 1989 to increase its ability to bring statewide resources to rural areas. Supported by the Federal Office of Rural Health Policy (FORHP), the state of Oregon and OHSU, ORH offers assistance to hospitals, clinics, and communities to strengthen the rural and frontier health care delivery system. Currently, there are two tax credits relating to rural health service providers:

- Rural Practitioner Tax Credit, created by Senate Bill 438 (1989), is available for:
  - Dentists
  - Physicians
  - Podiatrists
  - Nurse Practitioners
  - Physician Assistants
  - Certified Registered Nurse Anesthetists
  - Optometrists
- Rural Volunteer Emergency Medical Service Provider Tax Credit, created by Senate Bill 31 (2005)

According to the Oregon Center for Nursing (OCN), an estimated 720 nurse faculty work at Oregon's 16 community colleges, six universities and five proprietary schools offering nursing programs, teaching over 4,000 nursing students. The OCN's *Oregon's Nurse Faculty Workforce: 2014 Update* found that nurse faculty make, on average, \$10,500 - \$38,000 less than registered nurses working in care settings.

**SB 754 STAFF MEASURE SUMMARY**

Senate Bill 754 creates a new credit for nurse faculty members at nursing education programs in rural areas of Oregon.