

## SB 143 STAFF MEASURE SUMMARY

### Senate Committee On Health Care

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**Action Date:** 03/29/21

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

**Vote:** 4-1-0-0

**Yeas:** 4 - Beyer, Knopp, Manning Jr, Patterson

**Nays:** 1 - Heard

**Fiscal:** No fiscal impact

**Revenue:** Revenue impact issued

**Prepared By:** Brian Nieubuurt, LPRO Analyst

**Meeting Dates:** 3/22, 3/29

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#### WHAT THE MEASURE DOES:

Extends sunset for rural medical tax credit.

#### ISSUES DISCUSSED:

- Tax credit review process
- History of rural medical tax credit
- Use and effectiveness of credit as recruiting and retention tool
- Number of providers using credit and cost

#### EFFECT OF AMENDMENT:

No amendment.

#### BACKGROUND:

Senate Bill 438 (1989) created the Rural Practitioner Tax Credit for certified registered nurse anesthetists, dentists, doctors of medicine, doctors of osteopathic medicine, nurse practitioners, optometrists, physician assistants, and podiatrists. In order to be eligible, the practitioner must be licensed in Oregon and a member of the medical staff of an eligible rural hospital. There are three tiers of tax credit ranging from \$3,000 to \$5,000 depending on the location of the practice site. To receive the credit, the provider must work a minimum of 20 hours per week, averaged over the month, in a qualifying rural area. They must also be willing to serve a Medicare and Medicaid base equal to their county's population of such patients up to 20 percent for Medicare and 15 percent for Medicaid patients. From 2016 through 2018, an average 1,600-1,800 providers claimed the annual tax credit.

Senate Bill 143 extends the sunset for the Rural Practitioner Tax Credit to 2028.