

D R A F T

SUMMARY

Digest: The Act lets more health care providers get the rural provider income tax credit. (Flesch Readability Score: 65.7).

Adds podiatric physicians and surgeons to the types of providers eligible for the tax credit allowed to rural medical care providers. Removes the requirement of hospital consulting privileges applicable to an optometrist claiming the credit. Applies to tax years beginning on or after January 1, 2026.

Takes effect on the 91st day following adjournment sine die.

A BILL FOR AN ACT

1
2 Relating to rural health care provider tax credits; creating new provisions;
3 amending ORS 315.616 and 315.619; and prescribing an effective date.

4 **Be It Enacted by the People of the State of Oregon:**

5 **SECTION 1.** ORS 315.616, as amended by section 47a, chapter 73, Oregon
6 Laws 2024, is amended to read:

7 315.616. [*A resident or nonresident individual who is certified as eligible*
8 *under ORS 442.561, 442.562, 442.563 or 442.564, and is licensed as a physician*
9 *under ORS chapter 677, licensed as a physician associate under ORS 677.505*
10 *to 677.525, licensed as a nurse practitioner under ORS 678.375 to 678.390, li-*
11 *censed as a certified registered nurse anesthetist as defined in ORS 678.010,*
12 *licensed as a dentist under ORS chapter 679 or licensed as an optometrist*
13 *under ORS 683.010 to 683.340 is entitled to the tax credit described in ORS*
14 *315.613 even if not a member of the hospital medical staff if the Office of Rural*
15 *Health certifies that the individual:]*

16 [(1) *Is engaged for at least 20 hours per week, averaged over the month,*
17 *during the tax year in a rural practice; and]*

1 [(2)(a) *If a physician or a physician associate, can cause a patient to be*
2 *admitted to the hospital;*]

3 [(b) *If a certified registered nurse anesthetist, is employed by or has a*
4 *contractual relationship with one of the hospitals described in ORS 315.613 (1);*
5 *or]*

6 [(c) *If an optometrist, has consulting privileges with a hospital listed in*
7 *ORS 315.613 (1). This paragraph does not apply to an optometrist who quali-*
8 *fies as a “frontier rural practitioner,” as defined by the Office of Rural*
9 *Health.*]

10 **A resident or nonresident individual who is certified as eligible un-**
11 **der ORS 442.561, 442.562, 442.563 or 442.564 is entitled to the tax credit**
12 **described in ORS 315.613, regardless of whether the individual is a**
13 **member of the hospital medical staff, if:**

14 **(1) The individual is:**

15 **(a) A physician licensed under ORS chapter 677;**

16 **(b) A physician associate licensed under ORS 677.505 to 677.525;**

17 **(c) A nurse practitioner licensed under ORS 678.375 to 678.390;**

18 **(d) A certified registered nurse anesthetist licensed under ORS**
19 **678.279;**

20 **(e) A dentist licensed under ORS chapter 679;**

21 **(f) An optometrist licensed under ORS 683.010 to 683.340; or**

22 **(g) A podiatric physician and surgeon licensed under ORS 677.805**
23 **to 677.840; and**

24 **(2) The Office of Rural Health certifies that the individual is en-**
25 **gaged for at least 20 hours per week, averaged over the month, during**
26 **the tax year in a rural practice and:**

27 **(a) If a physician or physician associate, can cause a patient to be**
28 **admitted to the hospital; or**

29 **(b) If a certified registered nurse anesthetist, is employed by or has**
30 **a contractual relationship with one of the hospitals described in ORS**
31 **315.613 (3).**

1 **SECTION 2.** ORS 315.619 is amended to read:

2 315.619. A member of the medical staff of a type C hospital who meets the
3 requirements of ORS 315.616 [(1) and] (2)(a) is entitled to the tax credit de-
4 scribed in ORS 315.613 if:

5 (1) The hospital is isolated due to geographic conditions, complies with
6 rules relating to emergency response and is subject to such other special
7 factors as the Office of Rural Health may prescribe; and

8 (2) The hospital is designated by the Office of Rural Health as being
9 subject to particular problems in recruiting and retaining medical staff and
10 is located in an area that is medically underserved.

11 **SECTION 3.** The amendments to ORS 315.616 by section 1 of this
12 2025 Act apply to tax years beginning on or after January 1, 2026.

13 **SECTION 4.** This 2025 Act takes effect on the 91st day after the date
14 on which the 2025 regular session of the Eighty-third Legislative As-
15 sembly adjourns sine die.

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