

Senate Bill 1583

Sponsored by Senators SMITH DB, MANNING JR; Senators ANDERSON, FREDERICK, MEEK, Representatives BOICE, BUNCH, EVANS, HARBICK, HELFRICH, LEVY B, LEWIS, LIVELY, OSBORNE, RESCHKE, RIEKE SMITH, SKARLATOS, WALLAN (Presession filed.)

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**. The statement includes a measure digest written in compliance with applicable readability standards.

Digest: The Act transfers duties from the OAC to a new committee within the CJC. (Flesch Readability Score: 77.8).

Establishes the Behavioral Health and Deflection Committee within the Oregon Criminal Justice Commission. Directs the committee to administer grant programs for Behavioral Health Resource Networks and deflection programs. Transfers the duties of the Oversight and Accountability Council to the committee.

A BILL FOR AN ACT

Relating to substance use; creating new provisions; amending ORS 137.830, 244.050, 413.017, 430.342, 430.383, 430.384, 430.387, 430.389, 430.390, 430.393, 430.394, 430.430, 430.432 and 430.434 and sections 6 and 8, chapter 63, Oregon Laws 2022; and repealing ORS 430.388 and section 6, chapter 248, Oregon Laws 2023.

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

BEHAVIORAL HEALTH AND DEFLECTION COMMITTEE

SECTION 1. (1) The Behavioral Health and Deflection Committee is established within the Oregon Criminal Justice Commission. The committee shall:

(a) Administer the Behavioral Health Resource Network grant program established under ORS 430.389; and

(b) Administer the Behavioral Health Deflection Program established under ORS 430.430.

(2) The chairperson of the commission shall appoint members of the commission to serve on the committee.

(3) The commission shall provide staff support to the committee.

SECTION 2. (1) The Behavioral Health and Deflection Committee shall conduct an analysis of the most effective ways to address substance abuse within this state. The analysis must include an assessment of the availability and funding of substance abuse treatment programs, the identification of any gaps in current practices and identification of the best practices to fund and support treatment services and other methods of addressing substance abuse.

(2) No later than September 15, 2027, the committee shall provide a report to the interim committees of the Legislative Assembly related to health and the judiciary, in the manner described in ORS 192.245, containing the findings of the committee.

(3) The committee shall provide a copy of the report described in subsection (2) of this

NOTE: Matter in **boldfaced** type in an amended section is new; matter *[italic and bracketed]* is existing law to be omitted. New sections are in **boldfaced** type.

section to each county.

SECTION 3. Section 2 of this 2026 Act is repealed on January 2, 2028.

BEHAVIORAL HEALTH RESOURCE NETWORKS

SECTION 4. ORS 430.389 is amended to read:

430.389. *[(1) The Oregon Health Authority shall administer, in consultation with the Oversight and Accountability Council, a grant program to implement Behavioral Health Resource Networks and increase statewide access to and awareness of the services described in subsection (2)(e) of this section. A Behavioral Health Resource Network is an entity or collection of entities that individually or jointly provide some or all of the services described in subsection (2)(e) of this section.]*

[(2)(a) The authority shall establish an equitable:]

[(A) Process for applying for grants and funding by agencies or organizations, whether government or community based, to establish Behavioral Health Resource Networks for the purposes of immediately screening the acute needs of individuals with substance use, including those who also have a mental illness, and assessing and addressing any ongoing needs through ongoing case management, harm reduction, treatment, housing and linkage to other care and services.]

[(B) Evaluation process to assess the effectiveness of Behavioral Health Resource Networks that receive grants or funding.]

[(b) Recipients of grants or funding must be licensed, certified or credentialed by the state, including certification under ORS 743A.168 (9), or meet criteria prescribed by rule by the authority under ORS 430.390. A recipient of a grant or funding under this subsection may not use the grant or funding to supplant the recipient's existing funding.]

[(c) The authority shall ensure that residents of each county have access to all of the services described in paragraph (e) of this subsection.]

[(d) Applicants for grants and funding may apply individually or jointly with other network participants to provide services in one or more counties.]

[(e) A network must have the capacity to provide the following services and any other services specified by the authority by rule but no individual participant in a network is required to provide all of the services:]

[(A) Screening by certified addiction peer support or wellness specialists or other qualified persons designated by the authority to determine a client's need for immediate medical or other treatment to determine what acute care is needed and where it can be best provided, identify other needs and link the client to other appropriate local or statewide services, including treatment for substance use and coexisting health problems, housing, employment, training and child care. A network shall provide a screening within 48 hours of initial client contact. Notwithstanding paragraph (c) of this subsection, only one grantee in each network within each county is required to provide the screenings described in this subparagraph.]

[(B) Comprehensive behavioral health needs assessment, including a substance use screening by a certified alcohol and drug counselor or other credentialed addiction treatment professional. The assessment shall prioritize the self-identified needs of a client.]

[(C) Individual intervention planning, case management and connection to services. If, after the completion of a screening, a client indicates a desire to address some or all of the identified needs, a case manager shall work with the client to design an individual intervention plan. The plan must address the client's need for substance use treatment, coexisting health problems, housing, employment

1 and training, child care and other services.]

2 [(D) Ongoing peer counseling and support from screening and assessment through implementation
3 of individual intervention plans as well as peer outreach workers to engage directly with marginalized
4 community members who could potentially benefit from the network's services.]

5 [(E) Assessment of the need for, and provision of, mobile or virtual outreach services to:]

6 [(i) Reach clients who are unable to access the network; and]

7 [(ii) Increase public awareness of network services.]

8 [(F) Harm reduction services and information and education about harm reduction services.]

9 [(G) Low-barrier substance use treatment.]

10 [(H) Transitional and supportive housing for individuals with substance use.]

11 [(f) If an applicant for a grant or funding under this subsection is unable to provide all of the
12 services described in paragraph (e) of this subsection, the applicant may identify how the applicant
13 intends to partner with other entities to provide the services, and the authority may facilitate collab-
14 oration among applicants.]

15 [(g) All services provided through the networks must be evidence-informed, trauma-informed, cul-
16 turally specific, linguistically responsive, person-centered and nonjudgmental. The goal shall be to ad-
17 dress effectively the client's substance use and any other social determinants of health.]

18 [(h) The networks must be adequately staffed to address the needs of people with substance use
19 within their regions as prescribed by the authority by rule, including, at a minimum, at least one per-
20 son in each of the following categories:]

21 [(A) Alcohol and drug counselor certified by the authority or other credentialed addiction treatment
22 professional;]

23 [(B) Case manager;]

24 [(C) Addiction peer support specialist certified by the authority;]

25 [(D) Addiction peer wellness specialist certified by the authority;]

26 [(E) Recovery mentor, certified by the Mental Health and Addiction Certification Board of Oregon
27 or its successor organization; and]

28 [(F) Youth support specialist certified by the authority.]

29 [(i) Verification of a screening by a certified addiction peer support specialist, wellness specialist
30 or other person in accordance with paragraph (e)(A) of this subsection shall promptly be provided to
31 the client by the entity conducting the screening. If the client executes a valid release of information,
32 the entity shall provide verification of the screening to the authority or a contractor of the authority
33 and the authority or the authority's contractor shall forward the verification to any entity the client
34 has authorized to receive the verification.]

35 [(3) In awarding grants and funding under this section, the authority shall:]

36 [(a) Distribute grants and funding to ensure access to:]

37 [(A) Historically underserved populations; and]

38 [(B) Culturally specific and linguistically responsive services.]

39 [(b) Consider any inventories or surveys of currently available behavioral health services.]

40 [(c) Consider available regional data related to the substance use treatment needs and the access
41 to culturally specific and linguistically responsive services in communities in this state.]

42 [(d) Consider the needs of residents of this state for services, supports and treatment at all ages.]

43 [(4) The authority shall require any government entity that applies for a grant to specify in the
44 application details regarding subgrantees and how the government entity will fund culturally specific
45 organizations and culturally specific services. A government entity receiving a grant must make an

1 *explicit commitment not to supplant or decrease any existing funding used to provide services funded*
 2 *by the grant.]*

3 *[(5) In determining grants and funding to be awarded, the authority may consult the comprehensive*
 4 *substance use prevention, substance use disorder treatment and recovery support services plan estab-*
 5 *lished by the Alcohol and Drug Policy Commission under ORS 430.223 and the advice of any other*
 6 *group, agency, organization or individual that desires to provide advice to the authority that is con-*
 7 *sistent with the terms of this section.]*

8 **(1) As used in this section:**

9 **(a) “Community court program” means an evidence-informed program that utilizes con-**
 10 **tingency management to address addiction with incentives and swift, certain and fair sanc-**
 11 **tions for noncompliance.**

12 **(b) “Community harm reduction” means evidence-informed policies and practices that**
 13 **reduce harm to the community caused by drug-dependent persons and persons unlawfully**
 14 **distributing controlled substances.**

15 **(c) “Detoxification facility” means a facility approved by the Oregon Health Authority**
 16 **that provides emergency care or treatment for drug-dependent persons.**

17 **(d) “Drug-dependency related offense” means an offense that is motivated by a depend-**
 18 **ence on a controlled substance.**

19 **(e) “Drug-dependent person” means an individual who has lost the ability to control the**
 20 **personal use of controlled substances with abuse potential, or who uses controlled sub-**
 21 **stances to the extent that the health of the individual, or the health of other individuals, is**
 22 **substantially impaired or endangered, or the social or economic function of the individual is**
 23 **substantially disrupted. A drug-dependent person may or may not be physically dependent,**
 24 **a condition in which the body requires a continuing supply of a controlled substance to avoid**
 25 **characteristic withdrawal symptoms, or psychologically dependent, a condition characterized**
 26 **by an overwhelming mental desire for continued use of a controlled substance.**

27 **(f) “Individual harm reduction” means evidence-informed policies and practices that re-**
 28 **duce harm to drug-dependent persons, with or without the use of law enforcement.**

29 **(g) “Local planning committee” means a local planning committee for alcohol and drug**
 30 **prevention and treatment services appointed by or designated by the county governing body**
 31 **under ORS 430.342.**

32 **(h) “Prevention” means evidence-informed policies, procedures and practices that reduce**
 33 **the rate of persons that become drug-dependent persons among the population that is the**
 34 **target for the policies, procedures and practices.**

35 **(i) “Recovery” means the state of a person who was a drug-dependent person but who is**
 36 **no longer drug dependent.**

37 **(j) “Sobering center” means a facility that meets all of the following criteria:**

38 **(A) The facility operates for the purpose of providing to individuals who are acutely**
 39 **intoxicated a safe, clean and supervised environment until the individuals are no longer**
 40 **acutely intoxicated.**

41 **(B) The facility contracts with or is affiliated with a treatment program or a provider**
 42 **approved by the Oregon Health Authority to provide addiction treatment and the contract**
 43 **or affiliation agreement includes, but is not limited to, case consultation, training and advice**
 44 **and a plan for making referrals to addiction treatment.**

45 **(C) The facility, in consultation with the addiction treatment program or provider, has**

1 adopted comprehensive written policies and procedures incorporating best practices for the
2 safety of intoxicated individuals, employees of the facility and volunteers at the facility.

3 (D) The facility is registered with the Oregon Health Authority under ORS 430.262.

4 (k) "Treatment" means a program that utilizes evidence-based methods to assist a
5 drug-dependent person to become a person in recovery, and that:

6 (A) Is based on published research in at least two peer-reviewed journals that cite the
7 methods used in the program as effective in treating drug-dependent persons by assisting the
8 persons to become persons in recovery;

9 (B) Is standardized so that the program can be replicated with the same or similar effi-
10 cacy;

11 (C) Has been studied in more than one environment and has provided consistent and ef-
12 fective results; and

13 (D) Is subject to ongoing evaluation to determine if implementation is adhering to the
14 protocol for the method and delivering the desired results of assisting drug-dependent per-
15 sons to become persons in recovery.

16 (L) "Treatment facility" includes outpatient facilities, inpatient facilities and other facil-
17 ities that provide treatment services that also meet the minimum standards established un-
18 der ORS 430.357, any of which may also provide diagnosis and evaluation, medical care,
19 detoxification, social services or rehabilitation for drug-dependent persons and that operate
20 in the form of a general hospital, state hospital, foster home, hostel, clinic or other suitable
21 form approved by the Oregon Health Authority.

22 (2) Using funds from the Drug Treatment and Recovery Services Fund established under
23 ORS 430.384 or from any other available source, the Behavioral Health and Deflection Com-
24 mittee established under section 1 of this 2026 Act shall provide grants and funding to
25 counties and federally recognized Indian tribes in this state to establish and maintain Be-
26 havioral Health Resource Networks to provide some or all of the following evidence-informed
27 and evidence-based services:

28 (a) Prevention;

29 (b) Treatment;

30 (c) Recovery support;

31 (d) Individual harm reduction; and

32 (e) Community harm reduction.

33 (3) If a county or tribe declines to apply for grants and funding under this section, the
34 committee shall provide grants and funding directly to any Behavioral Health Resource
35 Network within the region of that county or tribe for the provision of the services described
36 in subsection (2) of this section.

37 (4)(a) The committee shall adopt by rule a formula for distributing grants and funding
38 under this section to ensure that each region of this state receives funding in equitable
39 proportion to the region's need. To the extent practicable, the formula shall be consistent
40 with the framework used by the United States Department of Housing and Urban Develop-
41 ment to distribute funds for the Continuum of Care Program established under 24 C.F.R. part
42 578.

43 (b) A maximum of 15 percent of any grants or funding provided by the committee under
44 this section may be spent on administrative costs or costs related to law enforcement.

45 (5) In applying for grants and funding under this section, an applicant:

(a) Shall prioritize the funding of detoxification facilities, sobering centers, treatment facilities and peer recovery support services, including culturally specific programs.

(b) May prioritize the funding of community harm reduction, including:

(A) Deflection programs, as defined in ORS 430.430;

(B) Community court programs to divert and assist drug-dependent persons who have been charged with drug possession or other drug-dependency related offenses; and

(C) Focused deterrence to eliminate overt drug markets.

(6) The committee shall by rule specify the manner of applying for grants and funding under this section. All grant and funding applications submitted by a county must be approved by the local planning committee for the county in which the program will operate.

(7) A recipient of a grant or funding under this section shall enter into a grant agreement with the Oregon Health Authority that specifies the responsibilities of the recipient in administering the grant or funding and ensuring that the services described in subsection (2) of this section are provided. The authority may require the recipient to report information necessary to determine compliance with the grant agreement.

[(6)] (8) Services provided by *[grantees funded under this section, including services provided by]* a Behavioral Health Resource Network[,] shall be free of charge to the clients receiving the services. *[Grantees]* **Providers** in each network shall seek reimbursement from insurance issuers, the medical assistance program or any other third party responsible for the cost of services provided to a client *[and grants and funding provided by the authority]*. **Funding provided to a Behavioral Health Resource Network** under this section may be used for copayments, deductibles or other out-of-pocket costs incurred by the client for the services.

[(7)] (9) Subsection [(6)] (8) of this section does not require the medical assistance program to reimburse the cost of services for which another third party is responsible in violation of 42 U.S.C. 1396a(25).

(10) The committee may adopt rules to carry out the provisions of this section.

SECTION 5. ORS 430.383 is amended to read:

430.383. (1)(a) The people of Oregon find that drug addiction and overdoses are a serious problem in Oregon and that Oregon needs to expand access to drug treatment.

(b) The people of Oregon further find that a health-based approach to addiction and overdose is *[more]* effective, humane and cost-effective *[than criminal punishments. Making people criminals because they suffer from addiction is expensive, ruins lives and can make access to treatment and recovery more difficult]*.

(2)(a) The purpose of the Drug Addiction Treatment and Recovery Act of 2020, **as amended**, is to make screening, health assessment, treatment and recovery services for drug addiction available to all those who need and want access to those services and to *[adopt a health approach]* **enhance assessment, treatment and recovery services** to **address** drug addiction *[by removing criminal penalties for low-level drug possession]*.

(b) It is the policy of the State of Oregon:

(A) That screening, health assessment, treatment and recovery services for drug addiction are available to all those who need and want access to those services; and

(B) To encourage treatment and recovery for people struggling with substance use.

(3) The provisions of ORS 430.383 to 430.390 and 430.394 shall be interpreted consistently with the findings, purposes and policy objectives stated in this section and shall not be limited by any policy set forth in Oregon law that could conflict with or be interpreted to conflict with the pur-

poses and policy objectives stated in this section.

(4) As used in ORS 430.383 to 430.390 and 430.394, [*“recovery” means a process of change through which individuals improve their health and wellness, live a self-directed life and strive to reach their full potential*] **“Behavioral Health Resource Network” means an entity or collection of entities that individually or jointly provides the services described in ORS 430.389 (2).**

SECTION 6. ORS 430.384 is amended to read:

430.384. (1) The Drug Treatment and Recovery Services Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Drug Treatment and Recovery Services Fund shall be credited to the fund.

(2) The Drug Treatment and Recovery Services Fund shall consist of:

- (a) Moneys appropriated or otherwise transferred to the fund by the Legislative Assembly;
- (b) Moneys allocated from the Oregon Marijuana Account, pursuant to ORS 475C.726 (3)(b); and
- (c) All other moneys deposited into the fund from any source.

(3) Moneys in the fund shall be continuously appropriated to the [*Oregon Health Authority*] **Behavioral Health and Deflection Committee established under section 1 of this 2026 Act** for the purposes set forth in ORS 430.389.

(4)[(a)] Pursuant to subsection (2)(a) of this section, the Legislative Assembly shall appropriate or transfer to the fund an amount sufficient to fully fund the grants program required by ORS 430.389. **The minimum transfer amount shall be no less than the total amount deposited and transferred into the fund for the biennium beginning July 1, 2023, adjusted for inflation each subsequent biennium based on changes in the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor.**

[(b) *The total amount deposited and transferred into the fund shall not be less than \$57 million for the first year ORS 430.383 to 430.390 and 430.394 are in effect.*]

[(c) *In each subsequent year, the minimum transfer amount set forth in paragraph (b) of this subsection shall be increased by not less than the sum of:*]

[(A) *\$57 million multiplied by the percentage, if any, by which the monthly averaged U.S. City Average Consumer Price Index for the 12 consecutive months ending August 31 of the prior calendar year exceeds the monthly index for the fourth quarter of the calendar year 2020; and*]

[(B) *The annual increase, if any, in moneys distributed pursuant to ORS 475C.726 (3)(b).*]

SECTION 7. ORS 430.387 is amended to read:

430.387. The [*Oregon Health Authority*] **Behavioral Health and Deflection Committee** shall cause the moneys in the Drug Treatment and Recovery Services Fund to be distributed as follows:

(1) An amount necessary for the administration of ORS [*430.388 to*] **430.389 and** 430.390.

(2) After the distribution set forth in subsection (1) of this section, the remaining moneys in the fund shall be distributed to the grants program as set forth in ORS 430.389.

SECTION 8. ORS 430.390 is amended to read:

430.390. (1)[(a)] The [*Oregon Health Authority*] **Behavioral Health and Deflection Committee** shall adopt rules that establish:

[(A)] (a) A grant application process and general criteria and requirements for the Behavioral Health Resource Networks and the grants and funding required by ORS 430.389, including rules requiring recipients of grants and funding to collect and report information necessary for the Secretary of State to conduct the financial and performance audits required by ORS 430.392.

[(B)] (b) A process to appeal the denial, in full or in part, of a grant application under ORS

430.389. To the extent practicable, the process shall be consistent with the process for protesting the award of a public contract under ORS 279B.400 to 279B.425.

[(b) When adopting or amending rules under this subsection, the authority shall convene an advisory committee in accordance with ORS 183.333 in which members of the Oversight and Accountability Council compose a majority of the membership.]

(2) The [authority] **committee** shall administer and provide all necessary support to ensure the implementation of ORS 430.383 to 430.390 and 430.394, and that recipients of grants or funding comply with all applicable rules regulating the provision of behavioral health services.

(3)(a) The [authority, in consultation with the council,] **committee** may enter into interagency agreements to ensure proper distribution of funds for the grants required by ORS 430.389.

(b) The [authority] **committee** shall encourage and take all reasonable measures to ensure that grant recipients cooperate, coordinate and act jointly with one another to offer the services described in ORS 430.389.

(c) The [authority] **committee** shall post to the [authority's] **committee's** website, at the time a grant or funding is awarded:

(A) The name of the recipient of the grant or funding;

(B) The names of any subgrantees or subcontractors of the recipient of the grant or funding; and

(C) The amount of the grant or funding awarded.

[(4) The authority shall provide requested technical, logistical and other support to the council to assist the council with the council's duties and obligations.]

[(5)] (4) The Department of Justice shall provide legal services to the [council] **committee** if requested [by the authority] to assist the [council] **committee** in carrying out the [council's] **committee's** duties and obligations.

SECTION 9. ORS 430.393 is amended to read:

430.393. No later than January 1, 2022, and at the beginning of each calendar quarter thereafter, the [Oregon Health Authority] **Behavioral Health and Deflection Committee** shall report to the Legislative Assembly, in the manner provided in ORS 192.245, how funds from the Drug Treatment and Recovery Services Fund were spent in the preceding calendar quarter.

SECTION 10. ORS 430.394 is amended to read:

430.394. **If approved by the Behavioral Health and Deflection Committee**, the Oregon Health Authority may implement an education campaign to inform the public about the availability of Behavioral Health Resource Networks and any other information the authority believes would benefit the public in accessing behavioral health services.

DEFLECTION PROGRAMS

SECTION 11. ORS 430.430 is amended to read:

430.430. (1) As used in this section, "deflection program" means a collaborative program between law enforcement agencies and behavioral health entities or community-based social service organizations that assists individuals who may have substance use disorder, another behavioral health disorder or co-occurring disorders, and who often have other service needs, to create community-based pathways to treatment, recovery support services, housing, case management or other services.

(2) The Oregon Behavioral Health Deflection Program is established within the [Oregon Criminal Justice Commission] **Behavioral Health and Deflection Committee established under section 1**

1 **of this 2026 Act.** The program consists of grants awarded by the [commission] **committee** to coun-
 2 ties and federally recognized tribal governments to fund deflection programs.

3 (3) The purpose of the program described in this section is to:

4 (a) Address the need for more deflection programs to assist individuals whose behavioral health
 5 conditions, including substance use disorder, and other service needs lead to a heightened likelihood
 6 of interactions with law enforcement, incarceration, conviction and other engagement with the
 7 criminal justice system.

8 (b) Track and report data concerning deflection program outcomes in order to determine the
 9 best practices for deflection programs within this state.

10 (4)(a) The [commission] **committee** shall develop a grant application process for awarding grants
 11 under this section.

12 (b) An application for a grant under this section may be submitted by a county or designee of
 13 a county, a tribal government or designee of a tribal government or a consortium consisting of two
 14 or more counties or tribal governments, or designee of a consortium. Only one application per
 15 county or tribal government may be submitted, but the application may request funding multiple
 16 programs within an applicant's jurisdiction.

17 (c) Prior to submitting an application for a grant under this section, the applicant shall coordi-
 18 nate with all partners of the development and administration of the proposed deflection program to
 19 ensure that the partners have the resources necessary to implement the deflection program as fol-
 20 lows:

21 (A) For a county or county consortium applicant, the partners shall include at least a district
 22 attorney, a law enforcement agency, a community mental health program established under ORS
 23 430.620 and a provider from a Behavioral Health Resource Network established under ORS 430.389.
 24 Partners may also include a treatment provider, a local mental health authority, a tribal govern-
 25 ment, a peer support organization, a court or a local government body.

26 (B) For a tribal government or tribal government consortium applicant, the partners shall in-
 27 clude at least a law enforcement agency and either a behavioral health entity or a community-based
 28 social service organization.

29 (d) An application for a grant under this section must contain:

30 (A) A description of the coordination with program partners required by paragraph (c) of this
 31 subsection that has occurred;

32 (B) A description of the individuals who would be eligible for the program and what qualifies
 33 as a successful outcome, formulated in cooperation with the program partners described in para-
 34 graph (c) of this subsection;

35 (C) For a county or county consortium applicant, a description of how the program for which
 36 the applicant is seeking funding is culturally and linguistically responsive, trauma-informed and
 37 evidence-based;

38 (D) For a county or county consortium applicant, a description of a plan to address language
 39 access barriers when communicating program referral options and program procedures to non-
 40 English speaking individuals; and

41 (E) A description of how the program coordinator will communicate with program partners
 42 concerning persons participating in the program and any other matter necessary for the adminis-
 43 tration of the program.

44 (5) To be eligible for funding under this section, a deflection program:

45 (a) Must be coordinated by or in consultation with a community mental health program, a local

1 mental health authority or a federally recognized tribal government;

2 (b) Must have a coordinator with the following program coordinator duties:

3 (A) Convening deflection program partners as needed for the operation of the program;

4 (B) Managing grant program funds awarded under this section; and

5 (C) Tracking and reporting data required by the commission under ORS 137.687;

6 (c) Must involve the partners described in subsection (4)(c) of this section; and

7 (d) May involve a partnership with one or more of the following entities:

8 (A) A first responder agency other than a law enforcement agency;

9 (B) A community provider;

10 (C) A treatment provider;

11 (D) A community-based organization;

12 (E) A case management provider;

13 (F) A recovery support services provider; or

14 (G) Any other individual or entity deemed necessary by the program coordinator to carry out
15 the purposes of the deflection program, including individuals with lived experience with substance
16 use disorder, a behavioral health disorder or co-occurring disorders.

17 (6)(a) The [commission] **committee** shall distribute moneys in the Oregon Behavioral Health
18 Deflection Program Account established under ORS 430.434, as follows:

19 (A) The [commission] **committee** shall first determine the proportion of funds available to an
20 applicant that is a federally recognized tribal government or a consortium of federally recognized
21 tribal governments.

22 (B) Following the determination made under subparagraph (A) of this paragraph, the remaining
23 moneys shall be distributed to other applicants as follows:

24 (i) Twenty-five percent of the moneys shall be distributed to counties based on the county for-
25 mula share used for the program during the biennium ending June 30, 2025;

26 (ii) Seventy percent of the moneys shall be distributed to counties based on the formula de-
27 scribed in paragraph (b) of this subsection;

28 (iii) Three percent of the moneys shall be retained by the [commission] **committee** to support
29 grant recipient data collection and analysis or evaluation of outcome measures; and

30 (iv) Two percent of the moneys shall be retained by the [commission] **committee** to support
31 technical assistance for grant recipients.

32 (C) Each qualifying county applicant shall receive a grant award of no less than \$300,000.

33 (b) For purposes of the distribution under paragraph (a)(B)(ii) of this subsection:

34 (A) The [commission] **committee** shall provide historical data to each applicant to assist appli-
35 cants in developing a program population projection.

36 (B) Applicants shall develop a program population projection to submit to the [commission]
37 **committee**. The program population projection shall consist of:

38 (i) A projection of individuals eligible for deflection based on local program criteria;

39 (ii) A projection of individuals to be enrolled in the Oregon Behavioral Health Deflection Pro-
40 gram within the applicant's local jurisdiction; and

41 (iii) An explanation describing the methodology used to calculate the program population
42 projection.

43 (C) The proportion of funds available to an applicant shall be determined by the [commission]
44 **committee** using the combined projections of potential populations served by the Oregon Behavioral
45 Health Deflection Program.

(7)(a) Grant funds awarded under this section may be used for:

(A) Deflection program expenses, including but not limited to law enforcement employees, deputy district attorneys and behavioral health, case management or outreach workers, including peer navigators and mobile crisis and support services workers.

(B) Behavioral health workforce development.

(C) Capital construction of behavioral health treatment infrastructure.

(D) The payment of restitution to a victim, if potential or outstanding restitution is a barrier to program participation.

(E) The purchase of closed-loop referral technology to facilitate referrals to local partners and community-based organizations involved in supporting deflection and jail reentry programs.

(b) Notwithstanding paragraph (a) of this subsection, the [commission] **committee** may award planning grants for the development of deflection programs.

(c) A county or county consortium applicant may request up to 10 percent of program funds for administrative costs. A tribal government or tribal government consortium applicant may request up to the federally negotiated indirect cost rate for the applicant to cover administrative costs.

(8) The [commission] **Oregon Criminal Justice Commission** shall provide staff support to the grant program.

(9) The [commission] **committee** may adopt rules to carry out the provisions of this section, including:

(a) A methodology for reviewing and approving grant applications and awarding grants;

(b) A process for distributing any unallocated funds;

(c) A process for evaluating the efficacy of deflection programs funded under this section;

(d) Provisions related to requests by grant recipients to adjust their grant awards; and

(e) Provisions related to partnerships or collaborations between applicants.

(10) For purposes of this section:

(a) “Successful outcome” means an outcome that recognizes that recovery pathways are necessarily individual and that is measured in engagement in case management services and improvements in quality of life stability factors and public safety.

(b) “Victim” has the meaning given that term in ORS 131.007.

SECTION 12. ORS 430.430, as amended by section 9a, chapter 557, Oregon Laws 2025, is amended to read:

430.430. (1) As used in this section, “deflection program” means a collaborative program between law enforcement agencies and behavioral health entities or community-based social service organizations that assists individuals who may have substance use disorder, another behavioral health disorder or co-occurring disorders, and who often have other service needs, to create community-based pathways to treatment, recovery support services, housing, case management or other services.

(2) The Oregon Behavioral Health Deflection Program is established within the [Oregon Criminal Justice Commission] **Behavioral Health and Deflection Committee established under section 1 of this 2026 Act**. The program consists of grants awarded by the [commission] **committee** to counties and federally recognized tribal governments to fund deflection programs.

(3) The purpose of the program described in this section is to:

(a) Address the need for more deflection programs to assist individuals whose behavioral health conditions, including substance use disorder, and other service needs lead to a heightened likelihood of interactions with law enforcement, incarceration, conviction and other engagement with the

1 criminal justice system.

2 (b) Track and report data concerning deflection program outcomes in order to determine the
3 best practices for deflection programs within this state.

4 (4)(a) The [commission] **committee** shall develop a grant application process for awarding grants
5 under this section.

6 (b) An application for a grant under this section may be submitted by a county or designee of
7 a county, a tribal government or designee of a tribal government or a consortium consisting of two
8 or more counties or tribal governments, or designee of a consortium. Only one application per
9 county or tribal government may be submitted, but the application may request funding multiple
10 programs within an applicant's jurisdiction.

11 (c) Prior to submitting an application for a grant under this section, the applicant shall coordi-
12 nate with all partners of the development and administration of the proposed deflection program to
13 ensure that the partners have the resources necessary to implement the deflection program as fol-
14 lows:

15 (A) For a county or county consortium applicant, the partners shall include at least a district
16 attorney, a law enforcement agency, a community mental health program established under ORS
17 430.620 and a provider from a Behavioral Health Resource Network established under ORS 430.389.
18 Partners may also include a treatment provider, a local mental health authority, a tribal govern-
19 ment, a peer support organization, a court or a local government body.

20 (B) For a tribal government or tribal government consortium applicant, the partners shall in-
21 clude at least a law enforcement agency and either a behavioral health entity or a community-based
22 social service organization.

23 (d) An application for a grant under this section must contain:

24 (A) A description of the coordination with program partners required by paragraph (c) of this
25 subsection that has occurred;

26 (B) A description of the individuals who would be eligible for the program and what qualifies
27 as a successful outcome, formulated in cooperation with the program partners described in para-
28 graph (c) of this subsection;

29 (C) For a county or county consortium applicant, a description of how the program for which
30 the applicant is seeking funding is culturally and linguistically responsive, trauma-informed and
31 evidence-based;

32 (D) For a county or county consortium applicant, a description of a plan to address language
33 access barriers when communicating program referral options and program procedures to non-
34 English speaking individuals; and

35 (E) A description of how the program coordinator will communicate with program partners
36 concerning persons participating in the program and any other matter necessary for the adminis-
37 tration of the program.

38 (5) To be eligible for funding under this section, a deflection program:

39 (a) Must be coordinated by or in consultation with a community mental health program, a local
40 mental health authority or a federally recognized tribal government;

41 (b) Must have a coordinator with the following program coordinator duties:

42 (A) Convening deflection program partners as needed for the operation of the program;

43 (B) Managing grant program funds awarded under this section; and

44 (C) Tracking and reporting data required by the [commission] **committee** under ORS 137.687;

45 (c) Must involve the partners described in subsection (4)(c) of this section; and

(d) May involve a partnership with one or more of the following entities:

(A) A first responder agency other than a law enforcement agency;

(B) A community provider;

(C) A treatment provider;

(D) A community-based organization;

(E) A case management provider;

(F) A recovery support services provider; or

(G) Any other individual or entity deemed necessary by the program coordinator to carry out the purposes of the deflection program, including individuals with lived experience with substance use disorder, a behavioral health disorder or co-occurring disorders.

(6)(a) The [commission] **committee** shall distribute moneys in the Oregon Behavioral Health Deflection Program Account established under ORS 430.434 as follows:

(A) The [commission] **committee** shall first determine the proportion of funds available to an applicant that is a federally recognized tribal government or a consortium of federally recognized tribal governments.

(B) Following the determination made under subparagraph (A) of this paragraph, the remaining moneys shall be distributed to other applicants as follows:

(i) Twenty-five percent of the moneys shall be distributed to counties based on the formula described in paragraph (b) of this subsection;

(ii) Seventy percent of the moneys shall be distributed to counties based on a competitive grant program adopted by the [commission] **committee** by rule and following the priorities described in paragraph (c) of this subsection;

(iii) Three percent of the moneys shall be retained by the [commission] **committee** to support grant recipient data collection and analysis or evaluation of outcome measures; and

(iv) Two percent of the moneys shall be retained by the [commission] **committee** to support technical assistance for grant recipients.

(b) For purposes of the distribution under paragraph (a)(B)(i) of this subsection:

(A) The [commission] **committee** shall provide historical data to each applicant to assist applicants in developing a program population projection.

(B) Applicants shall develop a program population projection to submit to the [commission] **committee**. The program population projection shall consist of:

(i) A projection of individuals eligible for deflection based on local program criteria;

(ii) A projection of individuals to be enrolled in the Oregon Behavioral Health Deflection Program within the applicant's local jurisdiction; and

(iii) An explanation describing the methodology used to calculate the program population projection.

(C) The proportion of funds available to an applicant shall be determined by the [commission] **committee** using the combined projections of potential populations served by the Oregon Behavioral Health Deflection Program, but a qualifying applicant may not receive less than \$150,000.

(c) The [commission] **committee** shall prioritize the following when awarding grants under paragraph (a)(B)(ii) of this subsection:

(A) Grant recipients making adequate progress toward meeting program population projections submitted to the [commission] **committee** under paragraph (b) of this subsection;

(B) Programs designed to minimize the number of cases involving unlawful possession of a controlled substance constituting a drug enforcement misdemeanor as described in ORS 475.896 filed in

1 an applicant's jurisdiction;

2 (C) Programs that result in satisfactory rates of successful outcomes for program participants;

3 (D) Programs that prioritize the funding of positions that interact directly with prospective and
4 enrolled program participants;

5 (E) Programs in rural areas that create regional partnerships; and

6 (F) Programs that adhere to documented standards and best practices established by the [*com-*
7 *mission*] **committee** for deflection programs.

8 (7)(a) Grant funds awarded under this section may be used for:

9 (A) Deflection program expenses, including but not limited to law enforcement employees, dep-
10 uty district attorneys and behavioral health, case management or outreach workers, including peer
11 navigators and mobile crisis and support services workers.

12 (B) Behavioral health workforce development.

13 (C) Capital construction of behavioral health treatment infrastructure.

14 (D) The payment of restitution to a victim, if potential or outstanding restitution is a barrier to
15 program participation.

16 (E) The purchase of closed-loop referral technology to facilitate referrals to local partners and
17 community-based organizations involved in supporting deflection and jail reentry programs.

18 (b) Notwithstanding paragraph (a) of this subsection, the [*commission*] **committee** may award
19 planning grants for the development of deflection programs.

20 (c) A county or county consortium applicant may request up to 10 percent of program funds for
21 administrative costs. A tribal government or tribal government consortium applicant may request
22 up to the federally negotiated indirect cost rate for the applicant to cover administrative costs.

23 (8) The [*commission*] **Oregon Criminal Justice Commission** shall provide staff support to the
24 grant program.

25 (9) The [*commission*] **committee** shall adopt rules to carry out the provisions of this section,
26 including:

27 (a) A methodology for reviewing and approving grant applications and awarding grants;

28 (b) A process for distributing any unallocated funds;

29 (c) A process for evaluating the efficacy of deflection programs funded under this section;

30 (d) Provisions related to requests by grant recipients to adjust their grant awards; and

31 (e) Provisions related to partnerships or collaborations between applicants.

32 (10) For purposes of this section:

33 (a) "Successful outcome" means an outcome that recognizes that recovery pathways are neces-
34 sarily individual and that is measured in engagement in case management services and improve-
35 ments in quality of life stability factors and public safety.

36 (b) "Victim" has the meaning given that term in ORS 131.007.

37 **SECTION 13.** ORS 430.432 is amended to read:

38 430.432. (1) The [*Oregon Criminal Justice Commission*] **Behavioral Health and Deflection**
39 **Committee** shall monitor the progress of and evaluate program outcomes for applicants that receive
40 grant funds as part of the Oregon Behavioral Health Deflection Program established under ORS
41 430.430.

42 (2) Beginning no later than November 1, 2025, the [*commission*] **committee** shall annually re-
43 port, in the manner described in ORS 192.245, the findings of the evaluation described in subsection
44 (1) of this section to the relevant interim committees of the Legislative Assembly.

45 **SECTION 14.** ORS 430.434 is amended to read:

1 430.434. The Oregon Behavioral Health Deflection Program Account is established in the State
 2 Treasury, separate and distinct from the General Fund. All moneys in the account are continuously
 3 appropriated to the [*Oregon Criminal Justice Commission*] **Behavioral Health and Deflection**
 4 **Committee established in section 1 of this 2026 Act** for the purpose of carrying out the pro-
 5 visions of ORS 430.430 and 430.432.

6 7 **REPEAL OF OVERSIGHT AND ACCOUNTABILITY COUNCIL**

8
9 **SECTION 15. ORS 430.388 and section 6, chapter 248, Oregon Laws 2023, as amended by**
 10 **section 7, chapter 292, Oregon Laws 2025, are repealed.**

11 12 **CONFORMING AMENDMENTS**

13
14 **SECTION 16.** ORS 244.050 is amended to read:

15 244.050. (1) On or before April 15 of each year the following persons shall file with the Oregon
 16 Government Ethics Commission a verified statement of economic interest as required under this
 17 chapter:

18 (a) The Governor, Secretary of State, State Treasurer, Attorney General, Commissioner of the
 19 Bureau of Labor and Industries, district attorneys and members of the Legislative Assembly.

20 (b) Any judicial officer, including justices of the peace and municipal judges, except any pro tem
 21 judicial officer who does not otherwise serve as a judicial officer.

22 (c) Any candidate for a public office designated in paragraph (a) or (b) of this subsection.

23 (d) The Deputy Attorney General.

24 (e) The Deputy Secretary of State.

25 (f) The Legislative Administrator, the Legislative Counsel, the Legislative Fiscal Officer, the
 26 Legislative Policy and Research Director, the Secretary of the Senate, the Chief Clerk of the House
 27 of Representatives and the Legislative Equity Officer.

28 (g) The president and vice presidents, or their administrative equivalents, in each public uni-
 29 versity listed in ORS 352.002.

30 (h) The following state officers:

31 (A) Adjutant General.

32 (B) Director of Agriculture.

33 (C) Manager of State Accident Insurance Fund Corporation.

34 (D) Water Resources Director.

35 (E) Director of the Department of Environmental Quality.

36 (F) Director of the Oregon Department of Administrative Services.

37 (G) State Fish and Wildlife Director.

38 (H) State Forester.

39 (I) State Geologist.

40 (J) Director of Human Services.

41 (K) Director of the Department of Consumer and Business Services.

42 (L) Director of the Department of State Lands.

43 (M) State Librarian.

44 (N) Administrator of the Oregon Liquor and Cannabis Commission.

45 (O) Superintendent of State Police.

- 1 (P) Director of the Public Employees Retirement System.
- 2 (Q) Director of Department of Revenue.
- 3 (R) Director of Transportation.
- 4 (S) Public Utility Commissioner.
- 5 (T) Director of Veterans' Affairs.
- 6 (U) Executive director of Oregon Government Ethics Commission.
- 7 (V) Director of the State Department of Energy.
- 8 (W) Director and each assistant director of the Oregon State Lottery.
- 9 (X) Director of the Department of Corrections.
- 10 (Y) Director of the Oregon Department of Aviation.
- 11 (Z) Executive director of the Oregon Criminal Justice Commission.
- 12 (AA) Director of the Oregon Business Development Department.
- 13 (BB) Director of the Oregon Department of Emergency Management.
- 14 (CC) Director of the Employment Department.
- 15 (DD) State Fire Marshal.
- 16 (EE) Chief of staff for the Governor.
- 17 (FF) Director of the Housing and Community Services Department.
- 18 (GG) State Court Administrator.
- 19 (HH) Director of the Department of Land Conservation and Development.
- 20 (II) Board chairperson of the Land Use Board of Appeals.
- 21 (JJ) State Marine Director.
- 22 (KK) Executive director of the Oregon Racing Commission.
- 23 (LL) State Parks and Recreation Director.
- 24 (MM) Executive director of the Oregon Public Defense Commission.
- 25 (NN) Chairperson of the Public Employees' Benefit Board.
- 26 (OO) Director of the Department of Public Safety Standards and Training.
- 27 (PP) Executive director of the Higher Education Coordinating Commission.
- 28 (QQ) Executive director of the Oregon Watershed Enhancement Board.
- 29 (RR) Director of the Oregon Youth Authority.
- 30 (SS) Director of the Oregon Health Authority.
- 31 (TT) Deputy Superintendent of Public Instruction.
- 32 (i) The First Partner, the legal counsel, the deputy legal counsel and all policy advisors within
- 33 the Governor's office.
- 34 (j) Every elected city or county official.
- 35 (k) Every member of a city or county planning, zoning or development commission.
- 36 (L) The chief executive officer of a city or county who performs the duties of manager or prin-
- 37 cipal administrator of the city or county.
- 38 (m) Members of local government boundary commissions formed under ORS 199.410 to 199.519.
- 39 (n) Every member of a governing body of a metropolitan service district and the auditor and
- 40 executive officer thereof.
- 41 (o) Each member of the board of directors of the State Accident Insurance Fund Corporation.
- 42 (p) The chief administrative officer and the financial officer of each common and union high
- 43 school district, education service district and community college district.
- 44 (q) Every member of the following state boards, commissions and councils:
- 45 (A) Governing board of the State Department of Geology and Mineral Industries.

- 1 (B) Oregon Business Development Commission.
- 2 (C) State Board of Education.
- 3 (D) Environmental Quality Commission.
- 4 (E) Fish and Wildlife Commission of the State of Oregon.
- 5 (F) State Board of Forestry.
- 6 (G) Oregon Government Ethics Commission.
- 7 (H) Oregon Health Policy Board.
- 8 (I) Oregon Investment Council.
- 9 (J) Land Conservation and Development Commission.
- 10 (K) Oregon Liquor and Cannabis Commission.
- 11 (L) Oregon Short Term Fund Board.
- 12 (M) State Marine Board.
- 13 (N) Mass transit district boards.
- 14 (O) Energy Facility Siting Council.
- 15 (P) Board of Commissioners of the Port of Portland.
- 16 (Q) Employment Relations Board.
- 17 (R) Public Employees Retirement Board.
- 18 (S) Oregon Racing Commission.
- 19 (T) Oregon Transportation Commission.
- 20 (U) Water Resources Commission.
- 21 (V) Workers' Compensation Board.
- 22 (W) Oregon Facilities Authority.
- 23 (X) Oregon State Lottery Commission.
- 24 (Y) Pacific Northwest Electric Power and Conservation Planning Council.
- 25 (Z) Columbia River Gorge Commission.
- 26 (AA) Oregon Health and Science University Board of Directors.
- 27 (BB) Capitol Planning Commission.
- 28 (CC) Higher Education Coordinating Commission.
- 29 (DD) Oregon Growth Board.
- 30 (EE) Early Learning Council.
- 31 [(FF) *The Oversight and Accountability Council.*]
- 32 (r) The following officers of the State Treasurer:
- 33 (A) Deputy State Treasurer.
- 34 (B) Chief of staff for the office of the State Treasurer.
- 35 (C) Director of the Investment Division.
- 36 (s) Every member of the board of commissioners of a port governed by ORS 777.005 to 777.725
- 37 or 777.915 to 777.953.
- 38 (t) Every member of the board of directors of an authority created under ORS 441.525 to 441.595.
- 39 (u) Every member of a governing board of a public university listed in ORS 352.002.
- 40 (v) Every member of the district school board of a common school district or union high school
- 41 district.
- 42 (w) Every member of the board of directors of an authority created under ORS 465.600 to
- 43 465.621.
- 44 (2) By April 15 next after the date an appointment takes effect, every appointed public official
- 45 on a board or commission listed in subsection (1) of this section shall file with the Oregon Govern-

ment Ethics Commission a statement of economic interest as required under ORS 244.060, 244.070 and 244.090.

(3) By April 15 next after the filing deadline for the primary election, each candidate described in subsection (1) of this section shall file with the commission a statement of economic interest as required under ORS 244.060, 244.070 and 244.090.

(4) Not later than the 40th day before the date of the statewide general election, each candidate described in subsection (1) of this section who will appear on the statewide general election ballot and who was not required to file a statement of economic interest under subsections (1) to (3) of this section shall file with the commission a statement of economic interest as required under ORS 244.060, 244.070 and 244.090.

(5) Subsections (1) to (3) of this section apply only to persons who are incumbent, elected or appointed public officials as of April 15 and to persons who are candidates on April 15.

(6) If a statement required to be filed under this section has not been received by the commission within five days after the date the statement is due, the commission shall notify the public official or candidate and give the public official or candidate not less than 15 days to comply with the requirements of this section. If the public official or candidate fails to comply by the date set by the commission, the commission may impose a civil penalty as provided in ORS 244.350.

SECTION 17. ORS 413.017 is amended to read:

413.017. (1) The Oregon Health Policy Board shall establish the committees described in subsections (2) to (5) of this section.

(2)(a) The Public Health Benefit Purchasers Committee shall include individuals who purchase health care for the following:

(A) The Public Employees' Benefit Board.

(B) The Oregon Educators Benefit Board.

(C) Trustees of the Public Employees Retirement System.

(D) A city government.

(E) A county government.

(F) A special district.

(G) Any private nonprofit organization that receives the majority of its funding from the state and requests to participate on the committee.

(b) The Public Health Benefit Purchasers Committee shall:

(A) Identify and make specific recommendations to achieve uniformity across all public health benefit plan designs based on the best available clinical evidence, recognized best practices for health promotion and disease management, demonstrated cost-effectiveness and shared demographics among the enrollees within the pools covered by the benefit plans.

(B) Develop an action plan for ongoing collaboration to implement the benefit design alignment described in subparagraph (A) of this paragraph and shall leverage purchasing to achieve benefit uniformity if practicable.

(C) Continuously review and report to the Oregon Health Policy Board on the committee's progress in aligning benefits while minimizing the cost shift to individual purchasers of insurance without shifting costs to the private sector or the health insurance exchange.

(c) The Oregon Health Policy Board shall work with the Public Health Benefit Purchasers Committee to identify uniform provisions for state and local public contracts for health benefit plans that achieve maximum quality and cost outcomes. The board shall collaborate with the committee to develop steps to implement joint contract provisions. The committee shall identify a schedule for

the implementation of contract changes. The process for implementation of joint contract provisions must include a review process to protect against unintended cost shifts to enrollees or agencies.

(3)(a) The Health Care Workforce Committee shall include individuals who have the collective expertise, knowledge and experience in a broad range of health professions, health care education and health care workforce development initiatives.

(b) The Health Care Workforce Committee shall coordinate efforts to recruit and educate health care professionals and retain a quality workforce to meet the demand that will be created by the expansion in health care coverage, system transformations and an increasingly diverse population.

(c) The Health Care Workforce Committee shall conduct an inventory of all grants and other state resources available for addressing the need to expand the health care workforce to meet the needs of Oregonians for health care.

(4)(a) The Health Plan Quality Metrics Committee shall include the following members appointed by the Oregon Health Policy Board:

(A) An individual representing the Oregon Health Authority;

(B) An individual representing the Oregon Educators Benefit Board;

(C) An individual representing the Public Employees' Benefit Board;

(D) An individual representing the Department of Consumer and Business Services;

(E) Two health care providers;

(F) One individual representing hospitals;

(G) One individual representing insurers, large employers or multiple employer welfare arrangements;

(H) Two individuals representing health care consumers;

(I) Two individuals representing coordinated care organizations;

(J) One individual with expertise in health care research;

(K) One individual with expertise in health care quality measures; and

(L) One individual with expertise in mental health and addiction services.

(b) The committee shall work collaboratively with the Oregon Educators Benefit Board, the Public Employees' Benefit Board, the authority and the department to adopt health outcome and quality measures that are focused on specific goals and provide value to the state, employers, insurers, health care providers and consumers. The committee shall be the single body to align health outcome and quality measures used in this state with the requirements of health care data reporting to ensure that the measures and requirements are coordinated, evidence-based and focused on a long term statewide vision.

(c) The committee shall use a public process that includes an opportunity for public comment to identify health outcome and quality measures. The health outcome and quality measures identified by the committee, as updated by the authority under paragraph (g) of this subsection, may be applied to services provided by coordinated care organizations or paid for by health benefit plans sold through the health insurance exchange or offered by the Oregon Educators Benefit Board or the Public Employees' Benefit Board. The authority, the department, the Oregon Educators Benefit Board and the Public Employees' Benefit Board are not required to adopt all of the health outcome and quality measures identified by the committee but may not adopt any health outcome and quality measures that are different from the measures identified by the committee. The measures must take into account the health outcome and quality measures selected by the metrics and scoring subcommittee created in ORS 413.022 and the differences in the populations served by coordinated care organizations and by commercial insurers.

(d) In identifying health outcome and quality measures, the committee shall prioritize measures that:

(A) Utilize existing state and national health outcome and quality measures, including measures adopted by the Centers for Medicare and Medicaid Services, that have been adopted or endorsed by other state or national organizations and have a relevant state or national benchmark;

(B) Given the context in which each measure is applied, are not prone to random variations based on the size of the denominator;

(C) Utilize existing data systems, to the extent practicable, for reporting the measures to minimize redundant reporting and undue burden on the state, health benefit plans and health care providers;

(D) Can be meaningfully adopted for a minimum of three years;

(E) Use a common format in the collection of the data and facilitate the public reporting of the data; and

(F) Can be reported in a timely manner and without significant delay so that the most current and actionable data is available.

(e) The committee shall evaluate on a regular and ongoing basis the health outcome and quality measures identified under this section.

(f) The committee may convene subcommittees to focus on gaining expertise in particular areas such as data collection, health care research and mental health and substance use disorders in order to aid the committee in the development of health outcome and quality measures. A subcommittee may include stakeholders and staff from the authority, the Department of Human Services, the Department of Consumer and Business Services, the Early Learning Council or any other agency staff with the appropriate expertise in the issues addressed by the subcommittee.

(g) The authority shall update annually, if necessary, the health outcome and quality measures identified by the committee to utilize the latest sets of core quality measures published by the Centers for Medicare and Medicaid Services in accordance with 42 U.S.C. 1320b-9a and 1320b-9b.

(h) This subsection does not prevent the authority, the Department of Consumer and Business Services, commercial insurers, the Public Employees' Benefit Board or the Oregon Educators Benefit Board from establishing programs that provide financial incentives to providers for meeting specific health outcome and quality measures adopted by the committee.

(5)(a) The Behavioral Health Committee shall include the following members appointed by the Director of the Oregon Health Authority:

(A) The chairperson of the Health Plan Quality Metrics Committee;

(B) The chairperson of the committee appointed by the board to address health equity, if any;

(C) A behavioral health director for a coordinated care organization;

(D) A representative of a community mental health program;

(E) An individual with expertise in data analysis;

(F) A member of the Consumer Advisory Council, established under ORS 430.073, that represents adults with mental illness;

(G) A representative of the System of Care Advisory Council established in ORS 418.978;

(H) A member *[of the Oversight and Accountability Council, established under ORS 430.388,]* who represents adults with addictions or co-occurring conditions;

(I) One member representing a system of care, as defined in ORS 418.976;

(J) One consumer representative;

(K) One representative of a tribal government;

(L) One representative of an organization that advocates on behalf of individuals with intellectual or developmental disabilities;

(M) One representative of providers of behavioral health services;

(N) The director of the division of the authority responsible for behavioral health services, as a nonvoting member;

(O) The Director of the Alcohol and Drug Policy Commission appointed under ORS 430.220, as a nonvoting member;

(P) The authority's Medicaid director, as a nonvoting member;

(Q) A representative of the Department of Human Services, as a nonvoting member; and

(R) Any other member that the director deems appropriate.

(b) The board may modify the membership of the committee as needed.

(c) The division of the authority responsible for behavioral health services and the director of the division shall staff the committee.

(d) The committee, in collaboration with the Health Plan Quality Metrics Committee, as needed, shall:

(A) Establish quality metrics for behavioral health services provided by coordinated care organizations, health care providers, counties and other government entities; and

(B) Establish incentives to improve the quality of behavioral health services.

(e) The quality metrics and incentives shall be designed to:

(A) Improve timely access to behavioral health care;

(B) Reduce hospitalizations;

(C) Reduce overdoses;

(D) Improve the integration of physical and behavioral health care; and

(E) Ensure individuals are supported in the least restrictive environment that meets their behavioral health needs.

(6) Members of the committees described in subsections (2) to (5) of this section who are not members of the Oregon Health Policy Board may receive compensation in accordance with criteria prescribed by the authority by rule and shall be reimbursed from funds available to the board for actual and necessary travel and other expenses incurred by them by their attendance at committee meetings, in the manner and amount provided in ORS 292.495.

SECTION 18. ORS 430.342 is amended to read:

430.342. (1) The governing body of each county or combination of counties in a mental health administrative area, as designated by the Alcohol and Drug Policy Commission, shall:

(a) Appoint a local planning committee for alcohol and drug prevention and treatment services; or

(b) Designate an already existing body to act as the local planning committee for alcohol and drug prevention and treatment services.

(2) The committee shall coordinate with local Behavioral Health Resource Networks, [described in ORS 430.389] as defined in ORS 430.383, to identify needs and establish priorities for alcohol and drug prevention and treatment services that best suit the needs and values of the community and shall report its findings to the Oregon Health Authority, the governing bodies of the counties served by the committee and the budget advisory committee of the commission.

(3) Members of the local planning committee shall be representative of the geographic area and shall be persons with interest or experience in developing alcohol and drug prevention and treatment services. The membership of the committee shall include a number of minority members which

1 reasonably reflects the proportion of the need for prevention, treatment and rehabilitation services
2 of minorities in the community.

3 **SECTION 19.** Section 6, chapter 63, Oregon Laws 2022, as amended by section 7, chapter 495,
4 Oregon Laws 2025, is amended to read:

5 **Sec. 6.** (1) The Opioid Settlement Prevention, Treatment and Recovery Board is created in the
6 Oregon Health Authority for the purpose of determining the allocation of funding from the Opioid
7 Settlement Prevention, Treatment and Recovery Fund established in section 5, chapter 63, Oregon
8 Laws 2022. The board consists of:

9 (a) The following members appointed by the Governor:

10 (A) A policy advisor to the Governor;

11 (B) A representative of the Department of Justice;

12 (C) A representative of the Oregon Health Authority; and

13 (D) A representative of the Department of Human Services;

14 (b) The Director of the Alcohol and Drug Policy Commission or the director's designee;

15 [(c) *The chairperson of the Oversight and Accountability Council established in ORS 430.388 or*
16 *the chairperson's designee;*]

17 [(d)] (c) The following members appointed by the Governor from a list of candidates provided
18 by the Association of Oregon Counties and the League of Oregon Cities or the successor organiza-
19 tions to the Association of Oregon Counties and the League of Oregon Cities:

20 (A) An individual representing Clackamas, Washington or Multnomah County;

21 (B) An individual representing Clatsop, Columbia, Coos, Curry, Jackson, Josephine, Lane or
22 Yamhill County;

23 (C) An individual representing the City of Portland;

24 (D) An individual representing a city with a population above 10,000 residents as of July 21,
25 2021;

26 (E) An individual representing a city with a population at or below 10,000 residents as of July
27 21, 2021; and

28 (F) A representative of the Oregon Coalition of Local Health Officials or its successor organ-
29 ization;

30 [(e)] (d) The following members appointed by the Governor from a list of candidates provided
31 by the members described in paragraphs (a) to [(d)] (c) of this subsection:

32 (A) A representative of a community mental health program;

33 (B) An individual who has experienced a substance use disorder or a representative of an or-
34 ganization that advocates on behalf of individuals with substance use disorders; and

35 (C) An individual representing law enforcement, first responders or jail commanders or wardens;

36 [(f)] (e) A member of the House of Representatives appointed by the Speaker of the House of
37 Representatives, who shall be a nonvoting member of the board;

38 [(g)] (f) A member of the Senate appointed by the President of the Senate, who shall be a non-
39 voting member of the board; and

40 [(h)] (g) The State Court Administrator or the administrator's designee, who shall be a nonvot-
41 ing member of the board.

42 (2) The Governor shall select from the members described in subsection (1)(a)[,] **and** (b) [*and*
43 *(c)*] of this section one cochairperson to represent state entities, and the members described in sub-
44 section [(1)(d)] (1)(c) of this section shall select from one of their members a cochairperson to rep-
45 resent cities or counties.

1 (3) The term of each member of the board who is not an ex officio member is four years, but a
2 member serves at the pleasure of the appointing authority. Before the expiration of a member's term,
3 the appointing authority shall appoint a successor whose term begins on January 1 next following.
4 A member is eligible for reappointment. If there is a vacancy for any cause, the appointing authority
5 shall make an appointment to become immediately effective for the unexpired term.

6 (4) Decision-making by the board shall be based on consensus and supported by at least a ma-
7 jority of the members. The board shall document all objections to board decisions.

8 (5) The board shall conduct at least four public meetings in accordance with ORS 192.610 to
9 192.705, which shall be publicized to facilitate attendance at the meetings and during which the
10 board shall receive testimony and input from the community. The board shall also establish a pro-
11 cess for the public to provide written comments and proposals at each meeting of the board.

12 (6) In determining the allocation of moneys from the Opioid Settlement Prevention, Treatment
13 and Recovery Fund:

14 (a) No more than five percent of the moneys may be spent on administering the board and the
15 fund.

16 (b) A portion of the moneys shall be allocated toward a unified and evidence-based state system
17 for collecting, analyzing and publishing data about the availability and efficacy of substance use
18 prevention, treatment and recovery services statewide.

19 (c) Moneys remaining after allocations in accordance with paragraphs (a) and (b) of this sub-
20 section shall be allocated for funding statewide and regional programs identified in the Distributor
21 Settlement Agreement, the Janssen Settlement Agreement and any other judgment or settlement
22 described in section 5 (1)(c), chapter 63, Oregon Laws 2022, including but not limited to:

23 (A) Programs that use evidence-based or evidence-informed strategies to treat opioid use disor-
24 ders and any co-occurring substance use disorders or mental health conditions;

25 (B) Programs that use evidence-based or evidence-informed strategies to support individuals in
26 recovery from opioid use disorders and any co-occurring substance use disorders or mental health
27 conditions;

28 (C) Programs that use evidence-based or evidence-informed strategies to provide connections to
29 care for individuals who have or are at risk of developing opioid use disorders and any co-occurring
30 substance use disorders or mental health conditions;

31 (D) Programs that use evidence-based or evidence-informed strategies to address the needs of
32 individuals with opioid use disorders and any co-occurring substance use disorders or mental health
33 conditions and who are involved in, at risk of becoming involved in, or in transition from, the
34 criminal justice system;

35 (E) Programs that use evidence-based or evidence-informed strategies to address the needs of
36 pregnant or parenting women with opioid use disorders and any co-occurring substance use disor-
37 ders or mental health conditions, and the needs of their families, including babies with neonatal
38 abstinence syndrome;

39 (F) Programs that use evidence-based or evidence-informed strategies to support efforts to pre-
40 vent over-prescribing of opioids and ensure appropriate prescribing and dispensing of opioids;

41 (G) Programs that use evidence-based or evidence-informed strategies to support efforts to dis-
42 courage or prevent misuse of opioids;

43 (H) Programs that use evidence-based or evidence-informed strategies to support efforts to pre-
44 vent or reduce overdose deaths or other opioid-related harms;

45 (I) Programs to educate law enforcement or other first responders regarding appropriate prac-

tices and precautions when dealing with users of fentanyl or other opioids;

(J) Programs to provide wellness and support services for first responders and others who experience secondary trauma associated with opioid-related emergency events;

(K) Programs to support efforts to provide leadership, planning, coordination, facilitation, training and technical assistance to abate the opioid epidemic through activities, programs or strategies; or

(L) Funding to support opioid abatement research.

(d) The board shall be guided and informed by:

(A) The comprehensive substance use prevention, substance use disorder treatment and recovery support services plan developed by the Alcohol and Drug Policy Commission in accordance with ORS 430.223;

(B) The board's ongoing evaluation of the efficacy of the funding allocations;

(C) Evidence-based and evidence-informed strategies and best practices;

(D) Input the board receives from the public;

(E) Equity considerations for underserved populations; and

(F) The terms of the settlement agreements.

(7) The Oregon Health Authority shall provide staff support to the board.

SECTION 20. Section 8, chapter 63, Oregon Laws 2022, is amended to read:

Sec. 8. (1) Sections 4 *[to 7 of this 2022 Act]* **and 5, chapter 63, Oregon Laws 2022**, are repealed on January 2, 2040.

(2) Section 6, chapter 63, Oregon Laws 2022, as amended by section 19 of this 2025 Act, is repealed on January 2, 2040.

(3) Section 7, chapter 63, Oregon Laws 2022, is repealed on January 2, 2040.

SECTION 21. ORS 137.830 is amended to read:

137.830. (1) The Oregon Public Safety Coordination Grant Program is established within the Oregon Criminal Justice Commission to support the coordination of local public safety policy with the goal of reducing individuals' involvement with the criminal justice system.

(2) The Oregon Public Safety Coordination Grant Program consists of grants awarded to counties by the commission **or the Behavioral Health and Deflection Committee** in the following program areas:

(a) The Justice Reinvestment Program described in ORS 137.835;

(b) The Oregon Treatment Court Grant Program established under ORS 137.843;

(c) The Oregon Behavioral Health Deflection Program established under ORS 430.430;

(d) The Improving People's Access to Community-based Treatment, Supports and Services Program established in ORS 430.231; and

(e) Any other grant programs administered by the commission that provide funding consistent with the goals described in this section.

(3) If any of the program areas listed in subsection (2) of this section include eligible applicants other than counties:

(a) Grants may not be awarded to those entities using the procedures described in this section.

(b) The commission **or committee** shall, prior to releasing a solicitation for applications under the Oregon Public Safety Coordination Grant Program, select the proportion of funds to be set aside for noncounty applicants.

(4) An application for a grant under this section must:

(a) Be submitted by a local public safety coordinating council convened under ORS 423.560;

(b) Include a biennial public safety plan that describes each county's approach to, and defining goals for, reducing individuals' involvement with the criminal justice system;

(c) Include a list of budget allocations that indicates how state and other funds are used to sustain the biennial public safety plan;

(d) Indicate each program area listed in subsection (2) of this section for which a county is seeking funding;

(e) Include a description of how each selected program area is incorporated in the county's biennial public safety plan and administered in accordance with standards and best practices; and

(f) Include any elements required by statute or rule for each program area listed in subsection (2) of this section for which a county is seeking funding.

(5)(a) Grants awarded under this section must be used to support local programming that adheres to a recipient's biennial public safety plan and to standards or best practices established for any selected program area listed in subsection (2) of this section.

(b) Prior to soliciting grants under this section, the commission **or committee** shall consult with one to three individuals with expertise in the relevant fields of each program area listed in subsection (2) of this section to inform the development of criteria or metrics to ensure local programs that are funded adhere to standards or best practices.

(6)(a) During a grant application period established by the commission **or committee**, the proportion of grant funds available to each county shall be determined in accordance with the statutory requirements for each program area listed in subsection (2) of this section.

(b) Eligibility criteria, funding priorities and permitted uses of funds established by statute for each program area listed in subsection (2) of this section apply to grants to counties under this section.

(7)(a) The commission shall adopt rules to administer the Oregon Public Safety Coordination Grant Program. At a minimum, the rules must include:

(A) A methodology for reviewing and approving grant applications and awarding grants;

(B) A process for distributing any unallocated funds;

(C) A process for evaluating the efficacy of programs funded by the Oregon Public Safety Coordination Grant Program;

(D) Provisions related to requests by grant recipients to adjust their grant awards; and

(E) Provisions related to partnerships or collaborations between counties.

(b) For grants in program areas listed in subsection (2) of this section for which entities other than counties may apply, any rules adopted by the commission **or committee** pursuant to the statute establishing the specific program area shall govern the grant application and award process for noncounty applicants.

(c) For county applicants, any rules adopted by the commission **or committee** pursuant to the statute establishing the specific program area, including rules establishing definitions or relating to eligibility criteria, funding priorities and permitted uses of funds, generally apply unless in conflict with this section or a rule adopted pursuant to this section.

(8) Counties may request up to 10 percent of program funds for administrative costs.

(9)(a) At the conclusion of the grant application period, the commission **or committee** shall award Oregon Public Safety Coordination Grant Program funds in accordance with rules adopted by the commission.

(b) Within one year of awarding grant funds, the commission shall evaluate each grant recipient's progress related to the biennial public safety plan and defined goals therein and com-

1 municate the results of these evaluations to the recipients.

2 (c) Before the conclusion of a biennial grant cycle, the commission shall engage in a final per-
3 formance evaluation of grant recipients.

4 (d) A county that has demonstrated adherence to the county's public safety plan and to appli-
5 cable standards and best practices, met or exceeded defined public safety plan goals and avoided
6 state costs related to public safety, as measured by a final performance evaluation completed by the
7 commission, is eligible to receive supplemental funding from the funds apportioned under ORS
8 137.835 (2)(b) as follows:

9 (A) The proportion of funds available to a county under this paragraph shall be determined in
10 accordance with the formula used to distribute baseline funding under ORS 423.483.

11 (B) If fewer than 36 counties qualify for the receipt of supplemental funding under this para-
12 graph, the funds that remain shall be redistributed to qualifying counties.

13 (10) As used in this section, "administrative costs" means all costs incurred in the adminis-
14 tration of the Oregon Public Safety Coordination Grant Program that are not directly related to the
15 delivery of program services or projects.

17 CAPTIONS

18
19 **SECTION 22. The unit captions used in this 2026 Act are provided only for the conven-**
20 **ience of the reader and do not become part of the statutory law of this state or express any**
21 **legislative intent in the enactment of this 2026 Act.**