



Chair Prozanski, Vice-Chair Thatcher and Members of the Committee:

My name is Zakir Khan, and I am a Government Relations Manager for Washington County. I'm here to testify as neutral on SB 1583 and we are proposing a clean amendment with Lane County that we will address within our testimony. We take no position on most of the substance of this bill, but what has become abundantly clear to us is that BHRN funding and deflection funding decisions would benefit from mandated process rules subject to the Administrative Procedures Act.

Last session, we uncovered systematic problems in the process of how the funding formula for Behavioral Health Resource Networks was developed by the Oversight and Accountability Council and OHA which then led to substantive procedural problems with how providers were picked. Because of what we believed to be a legally improper lack of process in the development of that funding formula for BHRNs we filed suit with Clackamas County in a lawsuit that is currently awaiting judgement before the Oregon Court of Appeal. We also developed and successfully passed SB 610 last session.

During and after the session we found out that the CJC would be utilizing a funding formula for deflection again without a commitment to the funding formula being a rule subject to notice and opportunity for comment guidelines. We believe that state agencies should hold public hearings regarding funding formulas because we believe in the democratic process for public money.

The details of the amendment are as follows:

- 1) Mandates that funding formulas for Behavioral Health Resource Networks and Deflection are rules subject to the Administrative Procedures Act.
- 2) Mandates audits for Behavioral Health Resource Networks programs and Deflection programs on a two-year cycle by the Secretary of State's office and that these audits are extended for the entirety life of these programs.
- 3) The amendment further mandates:
 - a. Notice requirements for hearings, the collection and publication of comments from the public and clear timelines that are published for when the development of these funding formulas will take place.

Every day the legislature sees why process works, we believe it works for this issue too.

Thank you for your time and for your convenience, I've included an Appellate Commissioner's order in the record if you'd like to understand more about the case.

Warmly,

Zakir Khan

Government Relations Manager

Zakir_Khan@washingtoncountyor.gov

503-840-0635