

A-Engrossed
Senate Bill 778

Ordered by the Senate April 5
Including Senate Amendments dated April 5

Sponsored by Senators MORRISETTE, KRUSE

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.

Dedicates certain cigarette tax revenues to certain rural health safety net programs and services.

Appropriates moneys from General Fund to Rural Health Care Revolving Account [*and Area Health Education Center program*] for rural health safety net programs and services.

Declares emergency, effective July 1, 2005.

A BILL FOR AN ACT

1
2 Relating to health safety net; amending ORS 323.455; appropriating money; and declaring an emer-
3 gency.

4 Whereas the economic well-being and health status of rural Oregonians will improve only with
5 the creation and support of a clearly defined and sustainable rural health safety net; and

6 Whereas the general decline of rural economies, the aging of the rural population, the difficulty
7 in recruiting and retaining physicians and other health care providers, aging hospital physical plants
8 and a high rate of uninsured persons indicates a pending crisis in Oregon; and

9 Whereas the three major factors for maintaining a viable rural health safety net are adequate
10 prehospital emergency care, access to primary care providers and modernization of older rural hos-
11 pitals; now, therefore,

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

13 **SECTION 1.** ORS 323.455 is amended to read:

14 323.455. (1) All moneys received by the Department of Revenue from the tax imposed by ORS
15 323.030 (1) shall be paid over to the State Treasurer to be held in a suspense account established
16 under ORS 293.445. Amounts necessary to pay the expenses incurred by the Department of Revenue
17 and to reimburse the Oregon State Police and the Department of Justice for the administration and
18 enforcement of ORS 323.005 to 323.482 are continuously appropriated to the Department of Revenue
19 from the suspense account. After the payment of administrative and enforcement expenses and re-
20 funds, 89.65 percent shall be credited to the General Fund, 3.45 percent is appropriated to the cities
21 of this state, 3.45 percent is appropriated to the counties of this state and 3.45 percent is contin-
22 uously appropriated to the Department of Transportation for the purpose of financing and improving
23 transportation services for elderly and disabled individuals as provided in ORS 391.800 to 391.830.

24 (2) The moneys so appropriated to cities and counties shall be paid on a monthly basis within
25 35 days after the end of the month for which a distribution is made. Each city shall receive such
26 share of the money appropriated to all cities as its population, as determined under ORS 190.510 to

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.

1 190.590 last preceding such apportionment, bears to the total population of the cities of the state,
2 and each county shall receive such share of the money as its population, determined under ORS
3 190.510 to 190.590 last preceding such apportionment, bears to the total population of the state.

4 (3) The moneys appropriated to the Department of Transportation under subsection (1) of this
5 section shall be distributed and transferred to the Elderly and Disabled Special Transportation Fund
6 established by ORS 391.800 at the same time as the cigarette tax moneys are distributed to cities
7 and counties under this section.

8 (4) Of the moneys credited to the General Fund under this section:

9 (a) 51.92 percent shall be dedicated to funding the maintenance and expansion of the number
10 of persons eligible for medical assistance under the Oregon Health Plan, or to funding the mainte-
11 nance of the benefits available under the Oregon Health Plan, or both; [, and]

12 (b) 5.77 percent shall be credited to the Tobacco Use Reduction Account established under ORS
13 431.832;[.]

14 (c) **0.7 percent shall be credited to the Office of Rural Health created under ORS 442.475**
15 **for the purpose of enhancing emergency medical service systems in rural communities as**
16 **specified in ORS 442.507;**

17 (d) **0.85 percent shall be credited to the Office of Rural Health to provide rural commu-**
18 **nities with technical and financial assistance necessary to develop rural health safety net**
19 **services, including isolated rural health facilities as defined by the office; and**

20 (e) **2.0 percent shall be credited to the Office of Rural Health for rural health viability**
21 **grants that meet the criteria described in section 2 (2), chapter 978, Oregon Laws 2001.**

22 **SECTION 2.** ORS 323.455, as amended by section 27b, chapter 804, Oregon Laws 2003, is
23 amended to read:

24 323.455. (1) All moneys received by the Department of Revenue from the tax imposed by ORS
25 323.030 (1) shall be paid over to the State Treasurer to be held in a suspense account established
26 under ORS 293.445. After the payment of refunds, 89.65 percent shall be credited to the General
27 Fund, 3.45 percent is appropriated to the cities of this state, 3.45 percent is appropriated to the
28 counties of this state and 3.45 percent is continuously appropriated to the Department of Transpor-
29 tation for the purpose of financing and improving transportation services for elderly and disabled
30 individuals as provided in ORS 391.800 to 391.830.

31 (2) The moneys so appropriated to cities and counties shall be paid on a monthly basis within
32 35 days after the end of the month for which a distribution is made. Each city shall receive such
33 share of the money appropriated to all cities as its population, as determined under ORS 190.510 to
34 190.590 last preceding such apportionment, bears to the total population of the cities of the state,
35 and each county shall receive such share of the money as its population, determined under ORS
36 190.510 to 190.590 last preceding such apportionment, bears to the total population of the state.

37 (3) The moneys appropriated to the Department of Transportation under subsection (1) of this
38 section shall be distributed and transferred to the Elderly and Disabled Special Transportation Fund
39 established by ORS 391.800 at the same time as the cigarette tax moneys are distributed to cities
40 and counties under this section.

41 (4) Of the moneys credited to the General Fund under this section:

42 (a) 51.92 percent shall be dedicated to funding the maintenance and expansion of the number
43 of persons eligible for medical assistance under the Oregon Health Plan, or to funding the mainte-
44 nance of the benefits available under the Oregon Health Plan, or both[, and];

45 (b) 5.77 percent shall be credited to the Tobacco Use Reduction Account established under ORS

1 431.832;[.]

2 (c) 0.7 percent shall be credited to the Office of Rural Health created under ORS 442.475
3 for the purpose of enhancing emergency medical service systems in rural communities as
4 specified in ORS 442.507;

5 (d) 0.85 percent shall be credited to the Office of Rural Health to provide rural commu-
6 nities with technical and financial assistance necessary to develop rural health safety net
7 services, including isolated rural health facilities as defined by the office; and

8 (e) 2.0 percent shall be credited to the Office of Rural Health for rural health viability
9 grants that meet the criteria described in section 2 (2), chapter 978, Oregon Laws 2001.

10 **SECTION 3.** In addition to and not in lieu of any other appropriation, there is appropri-
11 ated to the Rural Health Care Revolving Account, for the biennium beginning July 1, 2005,
12 out of the General Fund, the amount of \$_____, which may be expended for the purposes
13 described in ORS 323.455 (4)(c), (d) and (e).

14 **SECTION 4.** This 2005 Act being necessary for the immediate preservation of the public
15 peace, health and safety, an emergency is declared to exist, and this 2005 Act takes effect
16 July 1, 2005.

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