



**Oregon Academy of Family Physicians  
2025 Legislative Assembly Weekly Report**

Week Ending May 30th, 2025

**Capitol Climate**

It's been an intense week in Salem, as the Oregon State Capitol buzzes with high-stakes negotiations and a rare touch of levity. With revenue forecasts coming in lower than expected, budget talks have taken center stage, dominating hallway conversations and committee rooms alike. Lawmakers are working diligently to finalize a balanced budget that reflects both fiscal realities and Oregon's core values.

A major milestone came with the passage of the State School Fund budget (SB 5516), which sets education funding at \$11.36 billion. While slightly below the \$11.4 billion target, the investment still represents a strong commitment to students and schools across the state—and a foundation to build on in the future.

In the Ways & Means Committee, there's no doubt the pressure is on. While not every bill will make it across the finish line, there's still optimism that lawmakers can prioritize the most impactful ideas. Creative problem-solving and collaboration are in high demand, and some unexpected coalitions are forming as legislators seek paths forward even in a constrained fiscal landscape.

At the same time, the legislature passed a new gun control package, signaling continued momentum on public safety and community well-being. The votes were tough, but the outcome shows a clear direction.

Marathon floor sessions kept most lawmakers tied to their chambers, and the building felt quieter than usual without the usual crowd of lobbyists. But those of us who stayed were treated to a rare moment of levity: the annual Senate vs. House basketball and cornhole tournament. In a personal highlight, I managed to create a path to victory over the Ways & Means Co-Chair Sen. Kate Lieber and Rep. Jason

Kropf in cornhole (until our game was interrupted by their departure for the basketball tournament)—proof that even in budget season, there's still room for fun. Here's to hoping that doesn't jeopardize our bills in Ways & Means!

## This Week in Review

*Activity on relevant bills:*

### **Committee Activity**

#### **Senate Finance and Revenue**

**5/28/25**

[SB 125](#), Public Hearing

*Would exempt certain healthcare reimbursements from the corporate activity tax starting January 1, 2026. These exemptions include:*

- *Reimbursements for Medicare and Medicaid services, including Medicare Advantage plans.*
- *Payments from programs like the Public Employees' Benefit Board, Oregon Educators Benefit Board, Children's Health Insurance Program, or TRICARE.*
- *Receipts from administering or dispensing medications in clinical settings outside of hospitals.*

Supporters—including Compass Oncology, Salem Clinic, WVP Health Authority, Douglas County Independent Physicians Association, the Cancer Institute, Kai Eye Doctor, Metropolitan Clinics, Children's Health Alliance, Willamette Dental, and Zoom Care—strongly endorsed the bill, arguing that the corporate activity tax (CAT) disproportionately harms providers serving patients on fixed public reimbursements (e.g., Medicare, Medicaid), which cannot be adjusted to absorb tax burdens. They emphasized that the bill would prevent further consolidation in health care and ensure continued access for vulnerable populations. Sen. Meek and Reynolds echoed these concerns, framing the bill as a correction to an unintended consequence of the CAT. In contrast, opponents—including the Portland Association of Teachers, Beaverton School District, Oregon Education Association, SEIU, Oregon School Board Association, and Oregon Center for Public Policy—opposed the measure, stating the bill would lead to a major reduction in school funding. They argued this would deepen existing financial strains in education and urged lawmakers to instead increase taxes on wealthier entities to maintain equity and revenue neutrality. Tax Fairness Oregon

remained neutral, acknowledging the difficult tradeoff between supporting schools and relieving health care providers.

### **Joint Human Services Subcommittee**

**5/28/25**

[SB 822](#), Work Session

*Would include substance use disorder and reproductive health care access to insurance network adequacy standards.*

The bill moved to the full Ways and Means committee on a party line vote. The Republicans disagreed with the reproductive health policy aspect of the bill. Sen. Hayden shared his concerns with Open Card insurance which does not have network adequacy standards and should be included in the measure.

### **House Rules**

**5/29/25**

[HB 2006](#), public hearing

*Would impose limits on the number of bills that a legislator can introduce during a long legislative session.*

Speaker Fahey introduced the bill, highlighting the overwhelming number of bills introduced in the 2025 session (over 3400) and the need for improved transparency and thoughtful policymaking. Rep. Kropf supported the bill, emphasizing the importance of self-discipline and creating a better atmosphere for passing quality legislation. Sen. Sollman also supported the bill, noting that it would protect the integrity and effectiveness of the legislative process. Rep. Elmer raised concerns about the disadvantage to the minority party, while Vice Chair Drazen suggested piloting the bill among its sponsors. Rep. Boshart-Davis expressed concerns about the limits on committee bills and the authority granted to the Senate President and Speaker of the House. Rep. Nathanson requested special consideration for the House Revenue Committee, which introduced 28 committee bills this session. Senator Brock Smith opposed the bill, arguing that it limits the voice of the minority party and rural Oregonians. Rep. Reschke also opposed the bill, suggesting that the issue lies with the committee process, not the introduction of bills. Rebecca Gladstone, representing the League of Women Voters of Oregon, supported the bill for fiscal responsibility in government. Brad Dennis, a citizen, supported the bill, noting that only about 1,200 bills have had both a public hearing and a work session.

[HB 3410](#), public hearing

*Companion to SB 951, the CPOM: The amendment also outlines the operational conditions for management services organizations, including prohibitions on ownership and control of professional medical entities, with certain exceptions allowed. Additionally, the amendment modifies Section 7 to define terms related to adverse actions and various agreements affecting medical licensees, such as noncompetition and nondisclosure agreements. It establishes that any contract provisions violating the new regulations will be void and unenforceable, enabling medical licensees or professional medical entities to seek legal remedies for violations. The amendment further clarifies that noncompetition agreements are generally void between medical licensees and certain entities, with a revised ownership interest threshold from 10% to 1.5%, and allows enforceable agreements for up to five years in designated health professional shortage areas. Nondisclosure and nondisparagement agreements are also deemed void unless specific conditions are met, and the effective date for certain provisions is set for January 1, 2026, with others applying from January 1, 2029.*

Rep. Bowman provides context for Senate Bill 951 and that 3410 is a companion bill to that legislation. Sen. Broadman discussed the importance of removing restraints on trade for medical professionals, highlighting the negative impact of non-competes on patient care and healthcare costs. Paloma Sparks (Oregon Business and Industry) expressed concerns about the retroactive invalidation of contracts and the potential impact on funds already paid out. Fawn Berry (Oregon Liability Reform Coalition) also raised concerns about retroactively changing contract law and its implications for ongoing litigation.

## **Floor Activity**

### **House Floor**

**5/28/25**

[SB 951](#), Third Reading

*Corporate Practice of Medicine legislation*

Rep. Bowman introduced the bill, emphasizing its bipartisan support and the need to safeguard physician autonomy. He explained that the bill addressed loopholes allowing corporations to exert control through management service organizations (MSOs) and limited contractual restrictions that silenced physicians. Rep. Javadi supported the bill, highlighting the importance of trust in the doctor-patient relationship and the potential dangers of corporate interference. Rep. Diehl opposed the bill, arguing that it went too far, could stifle innovation, and limit access to care, especially in rural areas. Reps. Fragala and McDonald shared personal stories and

examples of negative impacts from corporate takeovers of medical practices, such as the Oregon Medical Group and the Corvallis Clinic.

The bill passed 41-16, with only Republicans voting no but not quite a party line vote.

### **Legislative Meetings**

### **Agency Committee Updates**

## **The Week Ahead**

*Activity on relevant bills*

### **Committees**

#### **Floor**

##### ***Senate Floor***

***6/2/25 10:45 AM***

[HB 2940](#), Third Reading

*Subject to the availability of funds, requires OHA to implement a program by May 1, 2026 to provide emergency departments with real time notifications identifying patients with hemoglobinopathies and how to contact a hematologist. Requires OHA to consult with specified stakeholders when developing the program; permits participation by a member of the Legislative Assembly or a legislative staff member.*

[HB 3134](#), Third Reading

*Oregon Medical Association prior authorization bill.*