## House Bill 4036

Sponsored by Representatives LEWIS, HELFRICH, DIEHL, CRAMER, GOODWIN, MANNIX; Representatives BOICE, BREESE-IVERSON, CATE, CONRAD, HIEB, LEVY B, MCINTIRE, OSBORNE, OWENS, RESCHKE, SCHARF, STOUT, WALLAN, WRIGHT, YUNKER, Senators BONHAM, HANSELL, KNOPP, LINTHICUM, SMITH DB, WEBER (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 addresses the use of drugs within this state. The Act increases the penalties for some drug offenses and creates new drug crimes. The Act also makes changes to treatment funding. The Act takes effect on the 91st day after sine die. (Flesch Readability Score: 79.8).

Increases the penalties for possession of a controlled substance. Punishes by a maximum of 364

days' jail, \$6,250 fine, or both.

Creates the crime of using a controlled substance in public. Punishes by a maximum of 364 days' jail, \$6,250 fine, or both. Creates the crime of using a controlled substance in an enclosed place in a manner that endangers another person. Punishes by a maximum of 364 days' jail, \$6,250 fine, or both, or five years' imprisonment, \$125,000 fine, or both, for a second or subsequent conviction. Creates the crime of possessing, purchasing, making, delivering or selling a pill press. Punishes by a maximum of five years' imprisonment, \$125,000 fine, or both.

Provides that possession of a controlled substance with the intent to deliver constitutes delivery. Requires a prison sentence for the unlawful delivery or manufacture of a controlled substance when the person has a prior conviction. Increases the penalties for the unlawful delivery of a controlled substance that results in the death of a person. Punishes by a maximum of 20 years' imprisonment, \$375,000 fine, or both.

Directs counties to supervise persons convicted of certain property misdemeanors. Requires that for certain drug and property crimes, the court must require an evaluation and treatment as part of probation. Creates a diversion program for certain drug crimes. Modifies when the court may enter an order setting aside a conviction for certain drug crimes.

Establishes the Opioid Overdose Rapid Response Grant Program. Appropriates moneys to the

Oregon Criminal Justice Commission for the program.

Increases the hold duration for persons under the influence of alcohol or controlled substances. Directs the Alcohol and Drug Policy Commission to provide grants and funding for drug treatment and other related services. Transfers the duties of the Oversight and Accountability Council to the commission.

Authorizes the issuance of lottery bonds to local governments for treatment facility infrastructure.

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

#### A BILL FOR AN ACT 1

2 Relating to controlled substances; creating new provisions; amending ORS 51.050, 137.225, 137.300, 137.540, 144.102, 153.012, 153.018, 153.019, 153.021, 153.064, 153.992, 161.570, 221.339, 244.050, 3 316.502, 413.017, 419C.370, 423.478, 423.483, 423.525, 430.383, 430.384, 430.387, 430.389, 430.390, 4 430.391, 430.392, 430.393, 430.394, 430.399, 475.005, 475.235, 475.752, 475.814, 475.824, 475.834, 475.854, 475.874, 475.884, 475.894, 475.916, 475.925, 475.935 and 670.280 and section 6, chapter 63, 6 7 Oregon Laws 2022; repealing ORS 153.043, 153.062, 293.665, 305.231, 419C.460, 430.388 and 475.237 and section 6, chapter 248, Oregon Laws 2023; and prescribing an effective date. 8

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

RECRIMINALIZING DRUG POSSESSION (Restoring Misdemeanor Penalties)

**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.

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**SECTION 1.** ORS 475.752 is amended to read:

475.752. (1) Except as authorized by ORS 475.005 to 475.285 and 475.752 to 475.980, it is unlawful for any person to manufacture or deliver a controlled substance. Any person who violates this subsection with respect to:

- (a) A controlled substance in Schedule I, is guilty of a Class A felony, except as otherwise provided in ORS 475.886 and 475.890.
- (b) A controlled substance in Schedule II, is guilty of a Class B felony, except as otherwise provided in ORS 475.878, 475.880, 475.882, 475.904 and 475.906.
- (c) A controlled substance in Schedule III, is guilty of a Class C felony, except as otherwise provided in ORS 475.904 and 475.906.
  - (d) A controlled substance in Schedule IV, is guilty of a Class B misdemeanor.
  - (e) A controlled substance in Schedule V, is guilty of a Class C misdemeanor.
- (2) Except as authorized in ORS 475.005 to 475.285 and 475.752 to 475.980, it is unlawful for any person to create or deliver a counterfeit substance. Any person who violates this subsection with respect to:
  - (a) A counterfeit substance in Schedule I, is guilty of a Class A felony.
    - (b) A counterfeit substance in Schedule II, is guilty of a Class B felony.
  - (c) A counterfeit substance in Schedule III, is guilty of a Class C felony.
- 19 (d) A counterfeit substance in Schedule IV, is guilty of a Class B misdemeanor.
- 20 (e) A counterfeit substance in Schedule V, is guilty of a Class C misdemeanor.
  - (3) It is unlawful for any person knowingly or intentionally to possess a controlled substance unless the substance was obtained directly from, or pursuant to a valid prescription or order of, a practitioner while acting in the course of professional practice, or except as otherwise authorized by ORS 475.005 to 475.285 and 475.752 to 475.980. Any person who violates this subsection with respect to:
  - (a) A controlled substance in Schedule I, is guilty of a [Class E violation] Class A misdemeanor, except as otherwise provided in ORS 475.854, 475.874 and 475.894 and subsection (7) of this section.
  - (b) A controlled substance in Schedule II, is guilty of a [Class E violation] Class A misdemeanor, except as otherwise provided in ORS 475.814, 475.824, 475.834 or 475.884 or subsection (8) of this section.
  - (c) A controlled substance in Schedule III, is guilty of a [Class E violation] Class A misdemeanor.
  - (d) A controlled substance in Schedule IV, is guilty of a [Class E violation] Class A misdemeanor.
    - (e) A controlled substance in Schedule V, is guilty of a violation.
  - (4) It is an affirmative defense in any prosecution under this section for manufacture, possession or delivery of the plant of the genus Lophophora commonly known as peyote that the peyote is being used or is intended for use:
    - (a) In connection with the good faith practice of a religious belief;
  - (b) As directly associated with a religious practice; and
  - (c) In a manner that is not dangerous to the health of the user or others who are in the proximity of the user.
  - (5) The affirmative defense created in subsection (4) of this section is not available to any person who has possessed or delivered the peyote while incarcerated in a correctional facility in this state.

- (6)(a) Notwithstanding subsection (1) of this section, a person who unlawfully manufactures or delivers a controlled substance in Schedule IV and who thereby causes death to another person is guilty of a Class C felony.
  - (b) For purposes of this subsection, causation is established when the controlled substance plays a substantial role in the death of the other person.
    - (7) Notwithstanding subsection (3)(a) of this section[:],

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- [(a) Unlawful possession of a controlled substance in Schedule I is a Class A misdemeanor if the person possesses:]
  - [(A) Forty or more user units of a mixture or substance containing a detectable amount of lysergic acid diethylamide; or]
- 11 [(B) Twelve grams or more of a mixture or substance containing a detectable amount of psilocybin 12 or psilocin.]
  - [(b)] unlawful possession of a controlled substance in Schedule I is a Class B felony if:
  - [(A)] (a) The possession is a commercial drug offense under ORS 475.900 (1)(b); or
  - [(B)] (b) The person possesses a substantial quantity under ORS 475.900 (2)(b).
- 16 (8) Notwithstanding subsection (3)(b) of this section[:],
  - [(a) Unlawful possession of a controlled substance in Schedule II is a Class A misdemeanor if the person possesses one gram or more or five or more user units of a mixture or substance containing a detectable amount of fentanyl, or any substituted derivative of fentanyl as defined by the rules of the State Board of Pharmacy.]
    - [(b)] unlawful possession of a controlled substance in Schedule II is a Class C felony if:
  - [(A)] (a) The possession is a commercial drug offense under ORS 475.900 (1)(b); or
    - [(B)] (b) The person possesses a substantial quantity under ORS 475.900 (2)(b).
  - **SECTION 2.** ORS 475.814 is amended to read:
    - 475.814. (1) It is unlawful for any person knowingly or intentionally to possess hydrocodone unless the hydrocodone was obtained directly from, or pursuant to a valid prescription or order of, a practitioner while acting in the course of professional practice, or except as otherwise authorized by ORS 475.005 to 475.285 and 475.752 to 475.980.
      - (2)[(a)] Unlawful possession of hydrocodone is a [Class E violation] Class A misdemeanor.
  - [(b) Notwithstanding paragraph (a) of this subsection, unlawful possession of hydrocodone is a Class A misdemeanor if:]
    - [(A) The possession is a commercial drug offense under ORS 475.900 (1)(b); or]
  - [(B) The person possesses 40 or more pills, tablets, capsules or user units of a mixture or substance containing a detectable amount of hydrocodone.]

#### **SECTION 3.** ORS 475.824 is amended to read:

- 475.824. (1) It is unlawful for any person knowingly or intentionally to possess methadone unless the methadone was obtained directly from, or pursuant to a valid prescription or order of, a practitioner while acting in the course of professional practice, or except as otherwise authorized by ORS 475.005 to 475.285 and 475.752 to 475.980.
  - (2)(a) Unlawful possession of methadone is a [Class E violation] Class A misdemeanor.
- (b) Notwithstanding paragraph (a) of this subsection, [unlawful possession of methadone is a Class A misdemeanor if the person possesses 40 or more user units of a mixture or substance containing a detectable amount of methadone.]
- [(c) Notwithstanding paragraphs (a) and (b) of this subsection,] unlawful possession of methadone is a Class C felony if the possession is a commercial drug offense under ORS 475.900 (1)(b).

**SECTION 4.** ORS 475.834 is amended to read:

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- 475.834. (1) It is unlawful for any person knowingly or intentionally to possess oxycodone unless the oxycodone was obtained directly from, or pursuant to a valid prescription or order of, a practitioner while acting in the course of professional practice, or except as otherwise authorized by ORS 475.005 to 475.285 and 475.752 to 475.980.
  - (2)(a) Unlawful possession of oxycodone is a [Class E violation] Class A misdemeanor.
- 7 (b) Notwithstanding paragraph (a) of this subsection, [unlawful possession of oxycodone is a Class
  8 A misdemeanor if the person possesses 40 or more pills, tablets, capsules or user units of a mixture
  9 or substance containing a detectable amount of oxycodone.]
- [(c) Notwithstanding paragraphs (a) and (b) of this subsection,] unlawful possession of oxycodone is a Class C felony if the possession is a commercial drug offense under ORS 475.900 (1)(b).
  - **SECTION 5.** ORS 475.854 is amended to read:
- 13 475.854. (1) It is unlawful for any person knowingly or intentionally to possess heroin.
- 14 (2)(a) Unlawful possession of heroin is a [Class E violation] Class A misdemeanor.
- 15 (b) Notwithstanding paragraph (a) of this subsection, [unlawful possession of heroin is a Class
  16 A misdemeanor if the person possesses one gram or more of a mixture or substance containing a de17 tectable amount of heroin.]
- 18 [(c) Notwithstanding paragraphs (a) and (b) of this subsection,] unlawful possession of heroin is 19 a Class B felony if:
  - (A) The possession is a commercial drug offense under ORS 475.900 (1)(b); or
  - (B) The person possesses a substantial quantity under ORS 475.900 (2)(b).
  - **SECTION 6.** ORS 475.874 is amended to read:
  - 475.874. (1) It is unlawful for any person knowingly or intentionally to possess 3,4-methylenedioxymethamphetamine.
- 25 (2)(a) Unlawful possession of 3,4-methylenedioxymethamphetamine is a [Class E violation] Class 26 A misdemeanor.
  - (b) Notwithstanding paragraph (a) of this subsection, [unlawful possession of 3,4-methylenedioxymethamphetamine is a Class A misdemeanor if the person possesses one gram or more or five or more pills, tablets or capsules of a mixture or substance containing a detectable amount of:]
    - [(A) 3,4-methylenedioxyamphetamine;]
    - [(B) 3,4-methylenedioxymethamphetamine; or]
- [(C) 3,4-methylenedioxy-N-ethylamphetamine.]
- 34 [(c) Notwithstanding paragraphs (a) and (b) of this subsection,] unlawful possession of 35 3,4-methylenedioxymethamphetamine is a Class B felony if:
  - (A) The possession is a commercial drug offense under ORS 475.900 (1)(b); or
  - (B) The person possesses a substantial quantity under ORS 475.900 (2)(b).
- 38 **SECTION 7.** ORS 475.884 is amended to read:
- 475.884. (1) It is unlawful for any person knowingly or intentionally to possess cocaine unless the substance was obtained directly from, or pursuant to, a valid prescription or order of a practitioner while acting in the course of professional practice, or except as otherwise authorized by ORS 475.005 to 475.285 and 475.752 to 475.980.
  - (2)(a) Unlawful possession of cocaine is a [Class E violation] Class A misdemeanor.
- 44 (b) Notwithstanding paragraph (a) of this subsection, [unlawful possession of cocaine is a Class
  45 A misdemeanor if the person possesses two grams or more of a mixture or substance containing a de-

1 tectable amount of cocaine.]

- [(c) Notwithstanding paragraphs (a) and (b) of this subsection,] unlawful possession of cocaine is a Class C felony if:
  - (A) The possession is a commercial drug offense under ORS 475.900 (1)(b); or
  - (B) The person possesses a substantial quantity under ORS 475.900 (2)(b).
    - **SECTION 8.** ORS 475.894 is amended to read:
- 475.894. (1) It is unlawful for any person knowingly or intentionally to possess methamphetamine unless the substance was obtained directly from, or pursuant to, a valid prescription or order of a practitioner while acting in the course of professional practice, or except as otherwise authorized by ORS 475.005 to 475.285 and 475.752 to 475.980.
  - (2)(a) Unlawful possession of methamphetamine is a [Class E violation] Class A misdemeanor.
- (b) Notwithstanding paragraph (a) of this subsection, [unlawful possession of methamphetamine is a Class A misdemeanor if the person possesses two grams or more of a mixture or substance containing a detectable amount of methamphetamine.]
- [(c) Notwithstanding paragraphs (a) and (b) of this subsection,] unlawful possession of methamphetamine is a Class C felony if:
  - (A) The possession is a commercial drug offense under ORS 475.900 (1)(b); or
  - (B) The person possesses a substantial quantity under ORS 475.900 (2)(b).
  - SECTION 9. ORS 161.570 is amended to read:
- 161.570. (1) As used in this section, "nonperson felony" has the meaning given that term in the rules of the Oregon Criminal Justice Commission.
- (2) A district attorney may elect to treat a Class C nonperson felony or a violation of ORS 475.752 [(7)(b)] (7), 475.854 [(2)(c)] (2)(b) or 475.874 [(2)(c)] (2)(b) as a Class A misdemeanor. The election must be made by the district attorney orally or in writing at the time of the first appearance of the defendant. If a district attorney elects to treat a Class C felony or a violation of ORS 475.752 [(7)(b)] (7), 475.854 [(2)(c)] (2)(b) or 475.874 [(2)(c)] (2)(b) as a Class A misdemeanor under this subsection, the court shall amend the accusatory instrument to reflect the charged offense as a Class A misdemeanor.
- (3) If, at some time after the first appearance of a defendant charged with a Class C nonperson felony or a violation of ORS 475.752 [(7)(b)] (7), 475.854 [(2)(c)] (2)(b) or 475.874 [(2)(c)] (2)(b), the district attorney and the defendant agree to treat the charged offense as a Class A misdemeanor, the court may allow the offense to be treated as a Class A misdemeanor by stipulation of the parties.
- (4) If a Class C felony or a violation of ORS 475.752 [(7)(b)] (7), 475.854 [(2)(c)] (2)(b) or 475.874 [(2)(c)] (2)(b) is treated as a Class A misdemeanor under this section, the court shall clearly denominate the offense as a Class A misdemeanor in any judgment entered in the matter.
  - (5) If no election or stipulation is made under this section, the case proceeds as a felony.
- (6) Before a district attorney may make an election under subsection (2) of this section, the district attorney shall adopt written guidelines for determining when and under what circumstances the election may be made. The district attorney shall apply the guidelines uniformly.
- (7) Notwithstanding ORS 161.635, the fine that a court may impose upon conviction of a misdemeanor under this section may not:
  - (a) Be less than the minimum fine established by ORS 137.286 for a felony; or
- (b) Exceed the amount provided in ORS 161.625 for the class of felony receiving Class A misdemeanor treatment.

#### (Repealing Class E Violation Provisions)

#### SECTION 10. ORS 51.050 is amended to read:

51.050. (1) Except as otherwise provided in this section, in addition to the criminal jurisdiction of justice courts already conferred upon and exercised by them, justice courts have jurisdiction of all offenses committed or triable in their respective counties. The jurisdiction conveyed by this section is concurrent with any jurisdiction that may be exercised by a circuit court or municipal court.

- (2) In any justice court that has not become a court of record under ORS 51.025, a defendant charged with a misdemeanor shall be notified immediately after entering a plea of not guilty of the right of the defendant to have the matter transferred to the circuit court for the county where the justice court is located. The election shall be made within 10 days after the plea of not guilty is entered, and the justice shall immediately transfer the case to the appropriate court.
- (3) A justice court does not have jurisdiction over the trial of any felony or a designated drug-related misdemeanor as defined in ORS 423.478. [A justice court does not have jurisdiction over Class E violations.] Except as provided in ORS 51.037, a justice court does not have jurisdiction over offenses created by the charter or ordinance of any city.

#### **SECTION 11.** ORS 137.300 is amended to read:

137.300. (1) The Criminal Fine Account is established in the General Fund. Except as otherwise provided by law, all amounts collected in state courts as monetary obligations in criminal actions shall be deposited by the courts in the account. All moneys in the account are continuously appropriated to the Department of Revenue to be distributed by the Department of Revenue as provided in this section. The Department of Revenue shall keep a record of moneys transferred into and out of the account.

- (2) The Legislative Assembly shall first allocate moneys from the Criminal Fine Account for the following purposes, in the following order of priority:
  - (a) Allocations for public safety standards, training and facilities.
- (b) Allocations for criminal injuries compensation and assistance to victims of crime and children reasonably suspected of being victims of crime.
- (c) Allocations for the forensic services provided by the Oregon State Police, including, but not limited to, services of the Chief Medical Examiner.
  - (d) Allocations for the maintenance and operation of the Law Enforcement Data System.
- (3) After making allocations under subsection (2) of this section, the Legislative Assembly shall allocate moneys from the Criminal Fine Account for the following purposes:
- (a) Allocations to the Law Enforcement Medical Liability Account established under ORS 414.815.
  - (b) Allocations to the State Court Facilities and Security Account established under ORS 1.178.
- (c) Allocations to the Department of Corrections for the purpose of planning, operating and maintaining county juvenile and adult corrections programs and facilities and drug and alcohol programs.
- (d) Allocations to the Oregon Health Authority for the purpose of grants under ORS 430.345 for the establishment, operation and maintenance of alcohol and drug abuse prevention, early intervention and treatment services provided through a county.
- (e) Allocations to the Oregon State Police for the purpose of the enforcement of the laws relating to driving under the influence of intoxicants.

- 1 (f) Allocations to the Arrest and Return Account established under ORS 133.865.
- 2 (g) Allocations to the Intoxicated Driver Program Fund established under ORS 813.270.
- 3 (h) Allocations to the State Court Technology Fund established under ORS 1.012.
- [(4) Notwithstanding subsections (2) and (3) of this section, the Legislative Assembly shall allocate all moneys deposited into the Criminal Fine Account as payment of fines on Class E violations to the Drug Treatment and Recovery Services Fund established under ORS 430.384.]
  - [(5)] (4) It is the intent of the Legislative Assembly that allocations from the Criminal Fine Account under subsection (3) of this section be consistent with historical funding of the entities, programs and accounts listed in subsection (3) of this section from monetary obligations imposed in criminal proceedings. Amounts that are allocated under subsection (3)(c) of this section shall be distributed to counties based on the amounts that were transferred to counties by circuit courts during the 2009-2011 biennium under the provisions of ORS 137.308, as in effect January 1, 2011.
  - [(6)] (5) Moneys in the Criminal Fine Account may not be allocated for the payment of debt service obligations.
  - [(7)] (6) The Department of Revenue shall deposit in the General Fund all moneys remaining in the Criminal Fine Account after the distributions listed in subsections (2)[,] and (3) [and (4)] of this section have been made.
  - [(8)] (7) The Department of Revenue shall establish by rule a process for distributing moneys in the Criminal Fine Account. The department may not distribute more than one-eighth of the total biennial allocation to an entity during a calendar quarter.
    - **SECTION 12.** ORS 153.012 is amended to read:
- 22 153.012. Violations are classified for the purpose of sentencing into the following categories:
- 23 (1) Class A violations.

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- 24 (2) Class B violations.
- 25 (3) Class C violations.
- 26 (4) Class D violations.
- 27 [(5) Class E violations.]
- 28 [(6)] (5) Unclassified violations as described in ORS 153.015.
- 29 [(7)] (6) Specific fine violations as described in ORS 153.015.
  - **SECTION 13.** ORS 153.018 is amended to read:
  - 153.018. (1) The penalty for committing a violation is a fine. The law creating a violation may impose other penalties in addition to a fine but may not impose a term of imprisonment.
- 33 (2) Except as otherwise provided by law, the maximum fine for a violation committed by an in-34 dividual is:
  - (a) \$2,000 for a Class A violation.
- 36 (b) \$1,000 for a Class B violation.
- 37 (c) \$500 for a Class C violation.
  - (d) \$250 for a Class D violation.
- 39 [(e) \$100 for a Class E violation.]
- [(f)] (e) \$2,000 for a specific fine violation, or the maximum amount otherwise established by law for the specific fine violation.
  - (3) If a special corporate fine is specified in the law creating the violation, the sentence to pay a fine shall be governed by the law creating the violation. Except as otherwise provided by law, if a special corporate fine is not specified in the law creating the violation, the maximum fine for a violation committed by a corporation is:

- 1 (a) \$4,000 for a Class A violation.
- 2 (b) \$2,000 for a Class B violation.
- 3 (c) \$1,000 for a Class C violation.
- 4 (d) \$500 for a Class D violation.
- 5 **SECTION 14.** ORS 153.019 is amended to read:
- 153.019. (1) Except as provided in ORS 153.020, [153.062 and 430.391,] the presumptive fines for violations are:
- 8 (a) \$440 for a Class A violation.
- (b) \$265 for a Class B violation.
- 10 (c) \$165 for a Class C violation.
- 11 (d) \$115 for a Class D violation.
- 12 [(e) \$100 for a Class E violation.]

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  - (2) The presumptive fine for a specific fine violation is:
  - (a) The amount specified by statute as the presumptive fine for the violation; or
  - (b) An amount equal to the greater of 20 percent of the maximum fine prescribed for the violation, or the minimum fine prescribed by statute for the violation.
- 17 (3) Any surcharge imposed under ORS 1.188 shall be added to and made a part of the presumptive fine.
  - **SECTION 15.** ORS 153.021 is amended to read:
  - 153.021. (1) Unless a specific minimum fine is prescribed for a violation, and except as otherwise provided by law, the minimum fine a court shall impose for a violation that is subject to the presumptive fines established by ORS 153.019 (1) or 153.020 are as follows:
  - (a) \$225 for a Class A violation.
  - (b) \$135 for a Class B violation.
    - (c) \$85 for a Class C violation.
- 26 (d) \$65 for a Class D violation.
- 27 [(e) \$45 for a Class E violation.]
  - (2) Notwithstanding subsection (1) of this section, a court may waive payment of the minimum fine described in this section, in whole or in part, if the court determines that requiring payment of the minimum fine would be inconsistent with justice in the case. In making its determination under this subsection, the court shall consider:
  - (a) The financial resources of the defendant and the burden that payment of the minimum fine would impose, with due regard to the other obligations of the defendant; and
  - (b) The extent to which that burden could be alleviated by allowing the defendant to pay the fine in installments or subject to other conditions set by the court.
  - (3) This section does not affect the manner in which a court imposes or reduces monetary obligations other than fines.
  - (4) The Department of Revenue or Secretary of State may audit any court to determine whether the court is complying with the requirements of this section. In addition, the Department of Revenue or Secretary of State may audit any court to determine whether the court is complying with the requirements of ORS 137.145 to 137.159 and 153.640 to 153.680. The Department of Revenue or Secretary of State may file an action under ORS 34.105 to 34.240 to enforce the requirements of this section and of ORS 137.145 to 137.159 and 153.640 to 153.680.
- 44 **SECTION 16.** ORS 153.064 is amended to read:
- 45 153.064. (1) Except as provided in subsection (2) of this section, a warrant for arrest may be is-

sued against a person who fails to make a first appearance on a citation for a violation, or fails to appear at any other subsequent time set for trial or other appearance, only if the person is charged with failure to appear in a violation proceeding under ORS 153.992.

(2) If a person fails to make a first appearance on a citation for a violation [other than a Class E violation], or fails to appear at any other subsequent time set for trial or other appearance on a violation [other than a Class E violation], the court may issue an order that requires the defendant to appear and show cause why the defendant should not be held in contempt. The show cause order may be mailed to the defendant by certified mail, return receipt requested. If service cannot be accomplished by mail, the defendant must be personally served. If the defendant is served and fails to appear at the time specified in the show cause order, the court may issue an arrest warrant for the defendant for the purpose of bringing the defendant before the court.

#### SECTION 17. ORS 153.992 is amended to read:

153.992. (1) A person commits the offense of failure to appear in a violation proceeding if the person has been served with a citation issued under this chapter for a violation [other than a Class E violation] and the person knowingly fails to do any of the following:

- (a) Make a first appearance in the manner required by ORS 153.061 within the time allowed.
- (b) Make appearance at the time set for trial in the violation proceeding.
- (c) Appear at any other time required by the court or by law.
- (2) Failure to appear on a violation citation is a Class A misdemeanor.

#### SECTION 18. ORS 221.339 is amended to read:

- 221.339. (1) A municipal court has concurrent jurisdiction with circuit courts and justice courts over all violations committed or triable in the city where the court is located.
- (2) Except as provided in subsections (3) and (4) of this section, municipal courts have concurrent jurisdiction with circuit courts and justice courts over misdemeanors committed or triable in the city. Municipal courts may exercise the jurisdiction conveyed by this section without a charter provision or ordinance authorizing that exercise.
- (3) Municipal courts have no jurisdiction over felonies[,] **or** designated drug-related misdemeanors as defined in ORS 423.478 [or Class E violations].
- (4) A city may limit the exercise of jurisdiction over misdemeanors by a municipal court under this section by the adoption of a charter provision or ordinance, except that municipal courts must retain concurrent jurisdiction with circuit courts over:
- (a) Misdemeanors created by the city's own charter or by ordinances adopted by the city, as provided in ORS 3.132; and
  - (b) Traffic crimes as defined by ORS 801.545.
- (5) Subject to the powers and duties of the Attorney General under ORS 180.060, the city attorney has authority to prosecute a violation of any offense created by statute that is subject to the jurisdiction of a municipal court, including any appeal, if the offense is committed or triable in the city. The prosecution shall be in the name of the state. The city attorney shall have all powers of a district attorney in prosecutions under this subsection.

#### SECTION 19. ORS 419C.370 is amended to read:

- 419C.370. (1) The juvenile court may enter an order directing that all cases involving:
- (a) Violation of a law or ordinance relating to the use or operation of a motor vehicle, boating laws or game laws be waived to criminal or municipal court;
- (b) An offense classified as a violation [other than a Class E violation] under the laws of this state or a political subdivision of this state be waived to municipal court if the municipal court has

agreed to accept jurisdiction; and

- (c) A misdemeanor that entails theft, destruction, tampering with or vandalism of property be waived to municipal court if the municipal court has agreed to accept jurisdiction.
  - (2) Cases waived under subsection (1) of this section are subject to the following:
- (a) That the criminal or municipal court prior to hearing a case, other than a case involving a parking violation, in which the defendant is or appears to be under 18 years of age notify the juvenile court of that fact; and
- (b) That the juvenile court may direct that any such case be waived to the juvenile court for further proceedings.
- (3)(a) When a person who has been waived under subsection (1)(c) of this section is convicted of a property offense, the municipal court may impose any sanction authorized for the offense except for incarceration. The municipal court shall notify the juvenile court of the disposition of the case.
- (b) When a person has been waived under subsection (1) of this section and fails to appear as summoned or is placed on probation and is alleged to have violated a condition of the probation, the juvenile court may recall the case to the juvenile court for further proceedings. When a person has been returned to juvenile court under this paragraph, the juvenile court may proceed as though the person had failed to appear as summoned to the juvenile court or had violated a juvenile court probation order under ORS 419C.446.
- (4) Records of cases waived under subsection (1)(c) of this section are juvenile records for purposes of expunction under ORS 419A.260 to 419A.271.

#### SECTION 20. ORS 475.235 is amended to read:

- 475.235. (1) It is not necessary for the state to negate any exemption or exception in ORS 475.005 to 475.285 and 475.752 to 475.980 in any complaint, information, indictment or other pleading or in any trial, hearing or other proceeding under ORS 475.005 to 475.285 and 475.752 to 475.980. The burden of proof of any exemption or exception is upon the person claiming it.
- (2) In the absence of proof that a person is the duly authorized holder of an appropriate registration or order form issued under ORS 475.005 to 475.285 and 475.752 to 475.980, the person is presumed not to be the holder of the registration or form. The burden of proof is upon the person to rebut the presumption.
- (3)(a) When a controlled substance is at issue in a criminal proceeding before a grand jury, at a preliminary hearing, in a proceeding on a district attorney's information[, during a proceeding on a Class E violation] or for purposes of an early disposition program, it is prima facie evidence of the identity of the controlled substance if:
- (A) A sample of the controlled substance is tested using a presumptive test for controlled substances;
- (B) The test is conducted by a law enforcement officer trained to use the test or by a forensic scientist; and
  - (C) The test is positive for the particular controlled substance.
- (b) When the identity of a controlled substance is established using a presumptive test for purposes of a criminal proceeding before a grand jury, a preliminary hearing, a proceeding on a district attorney's information or an early disposition program, the defendant, upon notice to the district attorney, may request that the controlled substance be sent to a state police forensic laboratory for analysis. [The defendant may not make a request under this paragraph concerning a controlled substance at issue in a proceeding on a Class E violation.]
  - (4) Notwithstanding any other provision of law, in all prosecutions in which an analysis of a

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controlled substance or sample was conducted, a certified copy of the analytical report signed by the director of a state police forensic laboratory or the analyst or forensic scientist conducting the analysis shall be admitted as prima facie evidence of the results of the analytical findings unless the defendant has provided notice of an objection in accordance with subsection (5) of this section.

- (5) If the defendant intends to object at trial to the admission of a certified copy of an analytical report as provided in subsection (4) of this section, not less than 15 days prior to trial the defendant shall file written notice of the objection with the court and serve a copy on the district attorney.
  - (6) As used in this section:

- (a) "Analyst" means a person employed by the Department of State Police to conduct analysis in forensic laboratories established by the department under ORS 181A.150.
- (b) "Presumptive test" includes, but is not limited to, chemical tests using Marquis reagent, Duquenois-Levine reagent, Scott reagent system or modified Chen's reagent.

#### **SECTION 21.** ORS 670.280 is amended to read:

670.280. (1) As used in this section:

- (a) "License" includes a registration, certification or permit.
- (b) "Licensee" includes a registrant or a holder of a certification or permit.
- (2) Except as provided in ORS 342.143 (3) or 342.175 (3), a licensing board, commission or agency may not deny, suspend or revoke an occupational or professional license solely for the reason that the applicant or licensee has been convicted of a crime, but it may consider the relationship of the facts which support the conviction and all intervening circumstances to the specific occupational or professional standards in determining the fitness of the person to receive or hold the license. [There is a rebuttable presumption as to each individual applicant or licensee that an existing or prior conviction for conduct that has been classified or reclassified as a Class E violation does not make an applicant for an occupational or professional license or a licensee with an occupational or professional license unfit to receive or hold the license.]
- (3) Except as provided in ORS 342.143 (3) and 342.175 (3), a licensing board, commission or agency may deny an occupational or professional license or impose discipline on a licensee based on conduct that is not undertaken directly in the course of the licensed activity, but that is substantially related to the fitness and ability of the applicant or licensee to engage in the activity for which the license is required. In determining whether the conduct is substantially related to the fitness and ability of the applicant or licensee to engage in the activity for which the license is required, the licensing board, commission or agency shall consider the relationship of the facts with respect to the conduct and all intervening circumstances to the specific occupational or professional standards. [There is a rebuttable presumption as to each individual applicant or licensee that an existing or prior conviction for conduct that has been classified or reclassified as a Class E violation is not related to the fitness and ability of the applicant or licensee to engage in the activity for which the license is required.]

#### <u>SECTION 22.</u> ORS 153.043, 153.062, 419C.460 and 475.237 are repealed.

#### RESTORATION OF STATE V. BOYD DELIVERY DEFINITION

**SECTION 23.** ORS 475.005 is amended to read:

475.005. As used in ORS 475.005 to 475.285 and 475.752 to 475.980, unless the context requires otherwise:

(1) "Abuse" means the repetitive excessive use of a drug short of dependence, without legal or

- 1 medical supervision, which may have a detrimental effect on the individual or society.
  - (2) "Administer" means the direct application of a controlled substance, whether by injection, inhalation, ingestion or any other means, to the body of a patient or research subject by:
    - (a) A practitioner or an authorized agent thereof; or
    - (b) The patient or research subject at the direction of the practitioner.
  - (3) "Administration" means the Drug Enforcement Administration of the United States Department of Justice, or its successor agency.
    - (4) "Agent" means an authorized person who acts on behalf of or at the direction of a manufacturer, distributor or dispenser. It does not include a common or contract carrier, public warehouseman or employee of the carrier or warehouseman.
      - (5) "Board" means the State Board of Pharmacy.
      - (6) "Controlled substance":

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- (a) Means a drug or its immediate precursor classified in Schedules I through V under the federal Controlled Substances Act, 21 U.S.C. 811 to 812, as modified under ORS 475.035. The use of the term "precursor" in this paragraph does not control and is not controlled by the use of the term "precursor" in ORS 475.752 to 475.980.
  - (b) Does not include:
- 18 (A) The plant Cannabis family Cannabaceae;
  - (B) Any part of the plant Cannabis family Cannabaceae, whether growing or not;
- 20 (C) Resin extracted from any part of the plant Cannabis family Cannabaceae;
  - (D) The seeds of the plant Cannabis family Cannabaceae;
- 22 (E) Any compound, manufacture, salt, derivative, mixture or preparation of a plant, part of a 23 plant, resin or seed described in this paragraph; or
  - (F) Psilocybin or psilocin, but only if and to the extent that a person manufactures, delivers, or possesses psilocybin, psilocin, or psilocybin products in accordance with the provisions of ORS 475A.210 to 475A.722 and rules adopted under ORS 475A.210 to 475A.722.
  - (7) "Counterfeit substance" means a controlled substance or its container or labeling, which, without authorization, bears the trademark, trade name, or other identifying mark, imprint, number or device, or any likeness thereof, of a manufacturer, distributor or dispenser other than the person who in fact manufactured, delivered or dispensed the substance.
  - (8) "Deliver" or "delivery" means the actual **transfer**, constructive **transfer** or attempted transfer, **or possession with intent to transfer**, other than by administering or dispensing, from one person to another of a controlled substance, whether or not there is an agency relationship.
  - (9) "Device" means instruments, apparatus or contrivances, including their components, parts or accessories, intended:
- 36 (a) For use in the diagnosis, cure, mitigation, treatment or prevention of disease in humans or 37 animals; or
  - (b) To affect the structure of any function of the body of humans or animals.
  - (10) "Dispense" means to deliver a controlled substance to an ultimate user or research subject by or pursuant to the lawful order of a practitioner, and includes the prescribing, administering, packaging, labeling or compounding necessary to prepare the substance for that delivery.
    - (11) "Dispenser" means a practitioner who dispenses.
    - (12) "Distributor" means a person who delivers.
- 44 (13) "Drug" means:
- 45 (a) Substances recognized as drugs in the official United States Pharmacopoeia, official

- Homeopathic Pharmacopoeia of the United States or official National Formulary, or any supplement to any of them;
- (b) Substances intended for use in the diagnosis, cure, mitigation, treatment or prevention of disease in humans or animals;
- (c) Substances (other than food) intended to affect the structure or any function of the body of humans or animals; and
- (d) Substances intended for use as a component of any article specified in paragraph (a), (b) or (c) of this subsection; however, the term does not include devices or their components, parts or accessories.
- (14) "Electronically transmitted" or "electronic transmission" means a communication sent or received through technological apparatuses, including computer terminals or other equipment or mechanisms linked by telephone or microwave relays, or any similar apparatus having electrical, digital, magnetic, wireless, optical, electromagnetic or similar capabilities.
- (15) "Manufacture" means the production, preparation, propagation, compounding, conversion or processing of a controlled substance, either directly or indirectly by extraction from substances of natural origin, or independently by means of chemical synthesis, or by a combination of extraction and chemical synthesis, and includes any packaging or repackaging of the substance or labeling or relabeling of its container, except that this term does not include the preparation or compounding of a controlled substance:
- (a) By a practitioner as an incident to administering or dispensing of a controlled substance in the course of professional practice; or
- (b) By a practitioner, or by an authorized agent under the practitioner's supervision, for the purpose of, or as an incident to, research, teaching or chemical analysis and not for sale.
- (16) "Person" includes a government subdivision or agency, business trust, estate, trust or any other legal entity.
- (17) "Practitioner" means physician, dentist, veterinarian, scientific investigator, licensed nurse practitioner, physician assistant or other person licensed, registered or otherwise permitted by law to dispense, conduct research with respect to or to administer a controlled substance in the course of professional practice or research in this state but does not include a pharmacist or a pharmacy.
- (18) "Prescription" means a written, oral or electronically transmitted direction, given by a practitioner for the preparation and use of a drug. When the context requires, "prescription" also means the drug prepared under such written, oral or electronically transmitted direction. Any label affixed to a drug prepared under written, oral or electronically transmitted direction shall prominently display a warning that the removal thereof is prohibited by law.
- (19) "Production" includes the manufacture, planting, cultivation, growing or harvesting of a controlled substance.
- (20) "Research" means an activity conducted by the person registered with the federal Drug Enforcement Administration pursuant to a protocol approved by the United States Food and Drug Administration.
- (21) "Ultimate user" means a person who lawfully possesses a controlled substance for the use of the person or for the use of a member of the household of the person or for administering to an animal owned by the person or by a member of the household of the person.
  - (22) "Usable quantity" means:
- (a) An amount of a controlled substance that is sufficient to physically weigh independent of its packaging and that does not fall below the uncertainty of the measuring scale; or

	HB 4036
1	(b) An amount of a controlled substance that has not been deemed unweighable, as determined
2	by a Department of State Police forensic laboratory, due to the circumstances of the controlled
3	substance.
4	(23) "Within 1,000 feet" means a straight line measurement in a radius extending for 1,000 feet
5	or less in every direction from a specified location or from any point on the boundary line of a
6	specified unit of property.
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8	CREATION OF NEW DRUG OFFENSES
9	(Use of Controlled Substances in Public Places)
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SECTION 24. Section 25 of this 2024 Act is added to and made a part of ORS 475.752 to 475.980.

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SECTION 25. (1) It is unlawful for a person to knowingly or intentionally use a controlled substance in a public place unless the substance was obtained directly from, or pursuant to a valid prescription or order of, a practitioner while acting in the course of professional practice, or except as otherwise authorized by ORS 475.005 to 475.285 and 475.752 to 475.980.

- (2) Violation of this section is a Class A misdemeanor.
- (3) As used in this section, "public place" means a place to which the general public has access and includes, but is not limited to, hallways, lobbies and other parts of apartment houses and hotels not constituting rooms or apartments designed for actual residence, and highways, streets, schools, places of amusement, parks, playgrounds, premises and vehicles used in connection with public passenger transportation.

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(Use of Controlled Substances in Enclosed Space)

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SECTION 26. Section 27 of this 2024 Act is added to and made a part of ORS 475.752 to 475.980.

SECTION 27. (1) It is unlawful for a person to knowingly or intentionally use a controlled substance in an enclosed space that is open to the public in a manner that endangers another person.

- (2)(a) Violation of this section is a Class A misdemeanor.
- (b) Notwithstanding paragraph (a) of this subsection, violation of this section is a Class C felony if the person has a prior conviction under this section at the time of the offense.

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#### (Drug Encapsulating, Tableting or Counterfeiting Equipment)

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SECTION 28. Section 29 of this 2024 Act is added to and made a part of ORS 475.752 to 475.980.

SECTION 29. (1) Except as authorized by a registration under ORS 475.125, it is unlawful for any person to possess, purchase, make, deliver, sell or possess with intent to sell or deliver a tableting machine, an encapsulating machine or controlled substance counterfeiting materials, knowing, intending or having reasonable cause to believe that the machine or materials will be used to manufacture a controlled substance or a counterfeit substance.

- (2) A violation of subsection (1) of this section is a Class C felony.
- (3) When the court sentences a person under this section, the court shall use crime

category 6 of the sentencing guidelines grid of the Oregon Criminal Justice Commission, and shall determine the sentence by using the criminal history scale of the sentencing guidelines grid.

(4) As used in this section:

- (a) "Controlled substance counterfeiting material" means a punch, die, plate, stone or other item designed to print, imprint or reproduce the trademark, trade name or other identifying mark, imprint or device of another or any likeness of any of the foregoing upon a drug or container or labeling thereof so as to render such drug a counterfeit controlled substance.
- (b) "Encapsulating machine" means equipment that can be used to fill shells or capsules with powdered or granular solids or semisolid material to produce coherent solid contents.
- (c) "Tableting machine" means equipment that can be used to compact, compress or mold powdered or granular solids or semisolid material to produce coherent solid tablets.

SECTION 30. ORS 475.916 is amended to read:

475.916. (1) It is unlawful for any person knowingly or intentionally:

- (a) To deliver as a registrant a controlled substance classified in Schedule I or II, except pursuant to an order form as required by ORS 475.175;
- (b) To use in the course of manufacture or delivery of a controlled substance a registration number which is fictitious, revoked, suspended or issued to another person;
- (c) To acquire or to attempt to acquire or obtain or attempt to obtain possession of a controlled substance by misrepresentation, fraud, forgery, deception or subterfuge; **or**
- (d) To furnish false or fraudulent material information in, or omit any material information from, any application, report, record or other document required to be kept or filed under ORS 475.005 to 475.285 and 475.752 to 475.980[; or].
- [(e) To make, deliver or possess any punch, die, plate, stone or other thing designed to print, imprint or reproduce the trademark, trade name or other identifying mark, imprint or device of another or any likeness of any of the foregoing upon any drug or container or labeling thereof so as to render the drug a counterfeit substance.]
  - (2) Any person who violates this section is guilty of a Class A misdemeanor.

# INCREASED PENALTIES FOR CERTAIN DRUG CRIMES (Repeat Offenders Convicted of Delivery or Manufacture)

SECTION 31. ORS 475.925 is amended to read:

475.925. When a person is convicted of the unlawful delivery or manufacture of a controlled substance, the court shall sentence the person to a term of incarceration [ranging from] as follows:

- (1) 58 months to 130 months, depending on the person's criminal history, if the delivery or manufacture involves:
  - (a) 500 grams or more of a mixture or substance containing a detectable amount of cocaine;
- (b) 500 grams or more of a mixture or substance containing a detectable amount of methamphetamine, its salts, isomers or salts of its isomers;
  - (c) 100 grams or more of a mixture or substance containing a detectable amount of heroin;
- (d) 100 grams or more of a mixture or substance containing a detectable amount of fentanyl, or any substituted derivative of fentanyl as defined by the rules of the State Board of Pharmacy; or

- (e) 100 grams or more or 500 or more pills, tablets or capsules of a mixture or substance containing a detectable amount of ecstasy.
- (2) 34 months to 72 months, depending on the person's criminal history, if the delivery or manufacture involves:
  - (a) 100 grams or more of a mixture or substance containing a detectable amount of cocaine;
- (b) 100 grams or more of a mixture or substance containing a detectable amount of methamphetamine, its salts, isomers or salts of its isomers;
  - (c) 50 grams or more of a mixture or substance containing a detectable amount of heroin;
- (d) 50 grams or more of a mixture or substance containing a detectable amount of fentanyl, or any substituted derivative of fentanyl as defined by the rules of the State Board of Pharmacy; or
- (e) 50 grams or more or 250 or more pills, tablets or capsules of a mixture or substance containing a detectable amount of ecstasy.
- (3) 36 months, or any longer term of incarceration required by law or prescribed by the sentencing guidelines of the Oregon Criminal Justice Commission, if the person has a conviction for a previous unlawful delivery or manufacture of a controlled substance, or attempted delivery or manufacture of a controlled substance, within the previous five years.

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#### (Taylor's Law)

SECTION 32. Section 34 of this 2024 Act shall be known and may be cited as Taylor's Law.

SECTION 33. Section 34 of this 2024 Act is added to and made a part of ORS 475.752 to 475.980.

SECTION 34. (1)(a) Notwithstanding ORS 475.752 to 475.980, unlawful delivery of a controlled substance that results in the death of another person from the use of the controlled substance is a Class A felony.

- (b) Each person who unlawfully delivers a controlled substance that results in the death of another person from the use of the controlled substance is criminally liable under this subsection, regardless of whether the deceased person received the controlled substance directly from the person.
- (c) An unlawful delivery of a controlled substance is considered to result in the death of another person from the use of the controlled substance if the use of the controlled substance was a factor in causing the death of the other person.
- (2)(a) When a person is convicted of the unlawful delivery of a controlled substance, and the unlawful delivery resulted in the death of another person from the use of the controlled substance, the court shall sentence the person to a term of incarceration ranging from 58 months to 130 months, depending on the person's criminal history.
- (b) When the court sentences a person under this section, the court shall use crime category 10 of the sentencing guidelines grid of the Oregon Criminal Justice Commission, and shall determine the sentence by using the criminal history scale of the sentencing guidelines grid.
- (c) In determining the criminal history for a person to be sentenced under this section, a prior conviction for unlawful delivery of a controlled substance is a person felony, as that term is defined in the rules of the commission.
  - (d) Notwithstanding ORS 161.605, the court shall impose the sentence described in this

subsection, and may not grant a downward dispositional departure or a downward durational departure under the rules of the commission, except as provided in subsection (3) of this section.

- (e) Notwithstanding paragraph (d) of this subsection, the court may impose a sentence other than the sentence described in this subsection if the court imposes a longer term of incarceration that is otherwise required or authorized by law.
- (f) A person sentenced under this subsection may not receive a reduction in the term of incarceration for appropriate institutional behavior that exceeds 20 percent of the sentence imposed. The person is not eligible for transitional leave under ORS 421.168 or any other reduction in the term of imprisonment.
- (3)(a) The court shall grant a downward dispositional departure under the rules of the commission, and impose as a sentence a term of supervised probation, if the court finds by clear and convincing evidence that:
- (A) The other person whose death resulted from the use of the controlled substance was a family or household member or friend of, or cohabitating in a nonintimate relationship with, the person;
  - (B) There was no consideration; and

- (C) The person made good faith efforts to assist the state in identifying individuals from whom the person obtained the controlled substance and cooperate with the prosecution of those individuals.
- (b) The court may grant a downward dispositional departure under the rules of the commission, and impose as a sentence a term of supervised probation, if the court finds by clear and convincing evidence that:
- (A) The primary motivation of the delivery of the controlled substance was to support the person's use of the controlled substance;
- (B) The person made good faith efforts to assist the state in identifying individuals from whom the person obtained the controlled substance and cooperate with the prosecution of those individuals;
- (C) The person has been diagnosed with a substance use disorder by a court-approved assessor; and
- (D) At the time of sentencing, the person has no prior convictions for delivery of a controlled substance or for a person felony, as that term is defined in the rules of the commission.
- (c) A person sentenced to probation under this subsection shall, in order to successfully complete the probationary sentence, complete a treatment program at the assessed level of care recommended by a treatment provider approved by the court.
- (d) If the court revokes the probation of a person sentenced under this subsection, the court shall impose the term of incarceration indicated by the person's criminal history as described in subsection (2) of this section. The person may not receive a reduction in the term of incarceration for appropriate institutional behavior that exceeds 20 percent of the sentence imposed. The person is not eligible for transitional leave under ORS 421.168 or any other reduction in the term of imprisonment.
  - (4) As used in this section:
  - (a) "Controlled substance" has the meaning given that term in ORS 475.924.
  - (b) "Family or household member" has the meaning given that term in ORS 135.230.

**SECTION 35.** ORS 475.935 is amended to read:

475.935. (1) Except as provided in ORS 475.900, 475.907 or 475.925 or section 34 of this 2024 Act, when the court sentences a person convicted of delivery of methamphetamine under ORS 475.890 or 475.892, the presumptive sentence is 19 months of incarceration, unless the rules of the Oregon Criminal Justice Commission prescribe a longer presumptive sentence, if the person has two or more previous convictions for any combination of the following crimes:

- (a) Delivery or manufacture of methamphetamine under ORS 475.752, 475.886 or 475.890;
- (b) Delivery or manufacture of methamphetamine within 1,000 feet of a school under ORS 475.888, 475.892 or 475.904; or
- (c) Possession of a precursor substance with intent to manufacture a controlled substance under ORS 475.967.
- (2) The court may impose a sentence other than the sentence provided by subsection (1) of this section if the court imposes:
  - (a) A longer term of incarceration that is otherwise required or authorized by law; or
- (b) An upward durational departure sentence that is authorized by law or the rules of the Oregon Criminal Justice Commission based upon findings of substantial and compelling reasons. Unless otherwise authorized by law or rule of the Oregon Criminal Justice Commission, the maximum departure allowed for a person sentenced under this subsection is double the presumptive sentence provided in subsection (1) of this section.
  - (3) As used in this section, "previous conviction" means:
  - (a) Convictions occurring before, on or after August 16, 2005; and
  - (b) Convictions entered in any other state or federal court for comparable offenses.
- (4)(a) For a crime committed on or after November 1, 1989, a conviction is considered to have occurred upon the pronouncement of sentence in open court. However, when sentences are imposed for two or more convictions arising out of the same conduct or criminal episode, none of the convictions is considered to have occurred prior to any of the other convictions arising out of the same conduct or criminal episode.
- (b) For a crime committed prior to November 1, 1989, a conviction is considered to have occurred upon the pronouncement in open court of a sentence or upon the pronouncement in open court of the suspended imposition of a sentence.
  - (5) For purposes of this section, previous convictions must be proven pursuant to ORS 137.079.

#### SUPERVISION CONDITIONS

#### **SECTION 36.** ORS 137.540 is amended to read:

137.540. (1) The court may sentence the defendant to probation subject to the following general conditions unless specifically deleted by the court. The probationer shall:

- (a) Pay fines, restitution or fees ordered by the court.
- (b) Submit to testing for controlled substance, cannabis or alcohol use if the probationer has a history of substance abuse or if there is a reasonable suspicion that the probationer has illegally used controlled substances.
- (c) Participate in a substance abuse evaluation as directed by the supervising officer and follow the recommendations of the evaluator if there are reasonable grounds to believe there is a history of substance abuse.
  - (d) Remain in the State of Oregon until written permission to leave is granted by the Depart-

1 ment of Corrections or a county community corrections agency.

- (e) Not change residence without prior permission from the Department of Corrections or a county community corrections agency and inform the parole and probation officer of any change in employment.
- (f) Permit the parole and probation officer to visit the probationer or the probationer's work site or residence and to conduct a walk-through of the common areas and of the rooms in the residence occupied by or under the control of the probationer.
- (g) Consent to the search of person, vehicle or premises upon the request of a representative of the supervising officer if the supervising officer has reasonable grounds to believe that evidence of a violation will be found, and submit to fingerprinting or photographing, or both, when requested by the Department of Corrections or a county community corrections agency for supervision purposes.
- (h) Obey all laws, municipal, county, state and federal[, and in circumstances in which state and federal law conflict, obey state law].
- (i) Promptly and truthfully answer all reasonable inquiries by the Department of Corrections or a county community corrections agency.
  - (j) Not possess weapons, firearms or dangerous animals.
  - (k) Report as required and abide by the direction of the supervising officer.
- (L) If recommended by the supervising officer, successfully complete a sex offender treatment program approved by the supervising officer and submit to polygraph examinations at the direction of the supervising officer if the probationer:
- (A) Is under supervision for a sex crime as defined in ORS 163A.005 or harassment under ORS 166.065 (4)(a)(A);
  - (B) Was previously convicted of a sex crime as defined in ORS 163A.005; or
  - (C) Was previously convicted in another jurisdiction of an offense that would constitute a sex crime as defined in ORS 163A.005 if committed in this state.
  - (m) Participate in a mental health evaluation as directed by the supervising officer and follow the recommendation of the evaluator.
  - (n) If required to report as a sex offender under ORS 163A.015, report with the Department of State Police, a city police department, a county sheriff's office or the supervising agency:
    - (A) When supervision begins;
    - (B) Within 10 days of a change in residence;
    - (C) Once each year within 10 days of the probationer's date of birth;
- (D) Within 10 days of the first day the person works at, carries on a vocation at or attends an institution of higher education; and
- (E) Within 10 days of a change in work, vocation or attendance status at an institution of higher education.
- (o) Submit to a risk and needs assessment as directed by the supervising officer and follow reasonable recommendations resulting from the assessment.
  - (p) Not use or possess controlled substances except pursuant to a medical prescription.
- (2) In addition to the general conditions, the court may impose any special conditions of probation that are reasonably related to the crime of conviction or the needs of the probationer for the protection of the public or reformation of the probationer, or both, including, but not limited to, that the probationer shall:
- (a) For crimes committed prior to November 1, 1989, and misdemeanors committed on or after

- November 1, 1989, be confined to the county jail or be restricted to the probationer's own residence or to the premises thereof, or be subject to any combination of such confinement and restriction, such confinement or restriction or combination thereof to be for a period not to exceed one year or one-half of the maximum period of confinement that could be imposed for the offense for which the defendant is convicted, whichever is the lesser.
  - (b) For felonies committed on or after November 1, 1989:

- (A) Be confined in the county jail, or be subject to other custodial sanctions under community supervision, or both, as provided by rules of the Oregon Criminal Justice Commission; and
- (B) Comply with any special conditions of probation that are imposed by the supervising officer in accordance with subsection (9) of this section.
- (c) For crimes committed on or after December 5, 1996, sell any assets of the probationer as specifically ordered by the court in order to pay restitution.
- (d) For crimes constituting delivery of a controlled substance, as those terms are defined in ORS 475.005, or for telephonic harassment under ORS 166.090, or for crimes involving domestic violence, as defined in ORS 135.230, be prohibited from using Internet websites that provide anonymous text message services.
  - [(e) Not use or possess controlled substances except pursuant to a medical prescription.]
- (3)(a) If a person is released on probation following conviction of stalking under ORS 163.732 (2)(b) or violating a court's stalking protective order under ORS 163.750 (2)(b), the court may include as a special condition of the person's probation reasonable residency restrictions.
- (b) If the court imposes the special condition of probation described in this subsection and if at any time during the period of probation the victim moves to a location that causes the probationer to be in violation of the special condition of probation, the court may not require the probationer to change the probationer's residence in order to comply with the special condition of probation.
- (4) When a person who is a sex offender is released on probation, the court shall impose as a special condition of probation that the person not reside in any dwelling in which another sex offender who is on probation, parole or post-prison supervision resides, without the approval of the person's supervising parole and probation officer, or in which more than one other sex offender who is on probation, parole or post-prison supervision resides, without the approval of the director of the probation agency that is supervising the person or of the county manager of the Department of Corrections, or a designee of the director or manager. As soon as practicable, the supervising parole and probation officer of a person subject to the requirements of this subsection shall review the person's living arrangement with the person's sex offender treatment provider to ensure that the arrangement supports the goals of offender rehabilitation and community safety. As used in this subsection:
  - (a) "Dwelling" has the meaning given that term in ORS 469B.100.
  - (b) "Dwelling" does not include a residential treatment facility or a halfway house.
- (c) "Halfway house" means a publicly or privately operated profit or nonprofit residential facility that provides rehabilitative care and treatment for sex offenders.
  - (d) "Sex offender" has the meaning given that term in ORS 163A.005.
- (5)(a) If the person is released on probation following conviction of a sex crime, as defined in ORS 163A.005, or an assault, as defined in ORS 163.175 or 163.185, and the victim was under 18 years of age, the court, if requested by the victim, shall include as a special condition of the person's probation that the person not reside within three miles of the victim unless:
  - (A) The victim resides in a county having a population of less than 130,000 and the person is

[20]

required to reside in that county;

- (B) The person demonstrates to the court by a preponderance of the evidence that no mental intimidation or pressure was brought to bear during the commission of the crime;
- (C) The person demonstrates to the court by a preponderance of the evidence that imposition of the condition will deprive the person of a residence that would be materially significant in aiding in the rehabilitation of the person or in the success of the probation; or
- (D) The person resides in a halfway house. As used in this subparagraph, "halfway house" means a publicly or privately operated profit or nonprofit residential facility that provides rehabilitative care and treatment for sex offenders.
- (b) A victim may request imposition of the special condition of probation described in this subsection at the time of sentencing in person or through the prosecuting attorney.
- (c) If the court imposes the special condition of probation described in this subsection and if at any time during the period of probation the victim moves to within three miles of the probationer's residence, the court may not require the probationer to change the probationer's residence in order to comply with the special condition of probation.
- (6) When a person who is a sex offender, as defined in ORS 163A.005, is released on probation, the Department of Corrections or the county community corrections agency, whichever is appropriate, shall notify the city police department, if the person is going to reside within a city, and the county sheriff's office of the county in which the person is going to reside of the person's release and the conditions of the person's release.
- (7) Failure to abide by all general and special conditions of probation may result in arrest, modification of conditions, revocation of probation or imposition of structured, intermediate sanctions in accordance with rules adopted under ORS 137.595.
  - (8) The court may order that probation be supervised by the court.
  - (9)(a) The court may at any time modify the conditions of probation.
- (b) When the court orders a defendant placed under the supervision of the Department of Corrections or a community corrections agency, the supervising officer may file with the court a proposed modification to the special conditions of probation. The supervising officer shall provide a copy of the proposed modification to the district attorney and the probationer, and shall notify the probationer of the right to file an objection and have a hearing as described in subparagraph (A) of this paragraph. The notice requirement may be satisfied by providing the probationer with a copy of a form developed in accordance with rules adopted under ORS 137.595 (2)(b) that describes the right to a hearing. If the district attorney or probationer:
- (A) Files an objection to the proposed modification less than five judicial days after the proposed modification was filed, the court shall schedule a hearing no later than 10 judicial days after the proposed modification was filed, unless the court finds good cause to schedule a hearing at a later time.
- (B) Does not file an objection to the proposed modification less than five judicial days after the proposed modification was filed, the proposed modification becomes effective five judicial days after the proposed modification was filed.
- (10) A court may not order revocation of probation as a result of the probationer's failure to pay restitution unless the court determines from the totality of the circumstances that the purposes of the probation are not being served.
- (11) If the court ordered as a special condition of probation that the probationer find and maintain employment, it is not a cause for revocation of probation that the probationer failed to

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- apply for or accept employment at any workplace where there is a labor dispute in progress. As used in this subsection, "labor dispute" has the meaning for that term provided in ORS 662.010.
- 3 (12) As used in this section, "attends," "institution of higher education," "works" and "carries 4 on a vocation" have the meanings given those terms in ORS 163A.005.

#### **SECTION 37.** ORS 144.102 is amended to read:

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- 144.102. (1) The State Board of Parole and Post-Prison Supervision or local supervisory authority responsible for correctional services for a person shall specify in writing the conditions of post-prison supervision imposed under ORS 144.096. A copy of the conditions must be given to the person upon release from prison or jail.
- (2) The board or the supervisory authority shall determine, and may at any time modify, the conditions of post-prison supervision, which may include, among other conditions, that the person shall:
- (a) Comply with the conditions of post-prison supervision as specified by the board or supervisory authority.
- (b) Be under the supervision of the Department of Corrections and its representatives or other supervisory authority and abide by their direction and counsel.
  - (c) Answer all reasonable inquiries of the board, the department or the supervisory authority.
- (d) Report to the parole officer as directed by the board, the department or the supervisory authority.
  - (e) Not own, possess or be in control of any weapon.
- (f) Respect and obey all municipal, county, state and federal laws[, and in circumstances in which state and federal law conflict, obey state law].
- (g) Understand that the board or supervisory authority may, at its discretion, punish violations of post-prison supervision.
  - (h) Attend a victim impact treatment session in a county that has a victim impact program.
- (i) For crimes constituting delivery of a controlled substance, as those terms are defined in ORS 475.005, or for telephonic harassment under ORS 166.090, or for crimes involving domestic violence, as defined in ORS 135.230, be prohibited from using Internet websites that provide anonymous text message services.
- (3) If the person is required to report as a sex offender under ORS 163A.010, the board or supervisory authority shall include as a condition of post-prison supervision that the person report with the Department of State Police, a city police department, a county sheriff's office or the supervising agency:
  - (a) When supervision begins;
  - (b) Within 10 days of a change in residence;
  - (c) Once each year within 10 days of the person's date of birth;
- (d) Within 10 days of the first day the person works at, carries on a vocation at or attends an institution of higher education; and
- (e) Within 10 days of a change in work, vocation or attendance status at an institution of higher education.
- (4)(a) The board or supervisory authority may establish special conditions that the board or supervisory authority considers necessary because of the individual circumstances of the person on post-prison supervision.
- (b) If the person is on post-prison supervision following conviction of a sex crime, as defined in ORS 163A.005, the board or supervisory authority shall include all of the following as special con-

1 ditions of the person's post-prison supervision:

- (A) Agreement to comply with a curfew set by the board, the supervisory authority or the supervising officer.
- (B) A prohibition against contacting a person under 18 years of age without the prior written approval of the board, supervisory authority or supervising officer.
- (C) A prohibition against being present more than one time, without the prior written approval of the board, supervisory authority or supervising officer, at a place where persons under 18 years of age regularly congregate.
- (D) In addition to the prohibition under subparagraph (C) of this paragraph, a prohibition against being present, without the prior written approval of the board, supervisory authority or supervising officer, at, or on property adjacent to, a school, child care center, playground or other place intended for use primarily by persons under 18 years of age.
- (E) A prohibition against working or volunteering at a school, child care center, park, playground or other place where persons under 18 years of age regularly congregate.
- (F) Entry into and completion of or successful discharge from a sex offender treatment program approved by the board, supervisory authority or supervising officer. The program may include polygraph and plethysmograph testing. The person is responsible for paying for the treatment program.
- (G) A prohibition against direct or indirect contact with the victim, unless approved by the victim, the person's treatment provider and the board, supervisory authority or supervising officer.
- (H) Unless otherwise indicated for the treatment required under subparagraph (F) of this paragraph, a prohibition against viewing, listening to, owning or possessing sexually stimulating visual or auditory materials that are relevant to the person's deviant behavior.
- (I) Agreement to consent to a search of the person or the vehicle or residence of the person upon the request of a representative of the board or supervisory authority if the representative has reasonable grounds to believe that evidence of a violation of a condition of post-prison supervision will be found.
- (J) Participation in random polygraph examinations to obtain information for risk management and treatment. The person is responsible for paying the expenses of the examinations. The results of a polygraph examination under this subparagraph may not be used in evidence in a hearing to prove a violation of post-prison supervision.
- (K) Maintenance of a driving log and a prohibition against driving a motor vehicle alone unless approved by the board, supervisory authority or supervising officer.
- (L) A prohibition against using a post-office box unless approved by the board, supervisory authority or supervising officer.
- (M) A prohibition against residing in a dwelling in which another sex offender who is on probation, parole or post-prison supervision resides unless approved by the board, supervisory authority or supervising officer, or in which more than one other sex offender who is on probation, parole or post-prison supervision resides unless approved by the board or the director of the supervisory authority, or a designee of the board or director. As soon as practicable, the supervising officer of a person subject to the requirements of this subparagraph shall review the person's living arrangement with the person's sex offender treatment provider to ensure that the arrangement supports the goals of offender rehabilitation and community safety.
- (c)(A) If the person is on post-prison supervision following conviction of a sex crime, as defined in ORS 163A.005, or an assault, as defined in ORS 163.175 or 163.185, and the victim was under 18

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years of age, the board or supervisory authority, if requested by the victim, shall include as a special condition of the person's post-prison supervision that the person not reside within three miles of the victim unless:

- (i) The victim resides in a county having a population of less than 130,000 and the person is required to reside in that county under subsection (7) of this section;
- (ii) The person demonstrates to the board or supervisory authority by a preponderance of the evidence that no mental intimidation or pressure was brought to bear during the commission of the crime;
- (iii) The person demonstrates to the board or supervisory authority by a preponderance of the evidence that imposition of the condition will deprive the person of a residence that would be materially significant in aiding in the rehabilitation of the person or in the success of the post-prison supervision; or
  - (iv) The person resides in a halfway house.

- (B) A victim may request imposition of the special condition of post-prison supervision described in this paragraph at the time of sentencing in person or through the prosecuting attorney. A victim's request may be included in the judgment document.
- (C) If the board or supervisory authority imposes the special condition of post-prison supervision described in this paragraph and if at any time during the period of post-prison supervision the victim moves to within three miles of the person's residence, the board or supervisory authority may not require the person to change the person's residence in order to comply with the special condition of post-prison supervision.
- (d)(A) If a person is on post-prison supervision following conviction of stalking under ORS 163.732 (2)(b) or violating a court's stalking protective order under ORS 163.750 (2)(b), the board or supervisory authority may include as a special condition of the person's post-prison supervision reasonable residency restrictions.
- (B) If the board or supervisory authority imposes the special condition of post-prison supervision described in this paragraph and if at any time during the period of post-prison supervision the victim moves to a location that causes the person to be in violation of the special condition of post-prison supervision, the board or supervisory authority may not require the person to change the person's residence in order to comply with the special condition of post-prison supervision.
- (5)(a) The board or supervisory authority may require the person to pay, as a condition of post-prison supervision, compensatory fines, restitution or attorney fees:
  - (A) As determined, imposed or required by the sentencing court; or
  - (B) When previously required as a condition of any type of supervision that is later revoked.
- (b) The board may require a person to pay restitution as a condition of post-prison supervision imposed for an offense other than the offense for which the restitution was ordered if the person:
  - (A) Was ordered to pay restitution as a result of another conviction; and
- (B) Has not fully paid the restitution by the time the person has completed the period of postprison supervision imposed for the offense for which the restitution was ordered.
- (6) A person's failure to apply for or accept employment at a workplace where there is a labor dispute in progress does not constitute a violation of the conditions of post-prison supervision.
- (7)(a) When a person is released from imprisonment on post-prison supervision, the board shall order as a condition of post-prison supervision that the person reside for the first six months after release in the county that last supervised the person, if the person was on active supervision as an adult for a felony at the time of the offense that resulted in the imprisonment.

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- (b) If the person was not on active supervision as an adult for a felony at the time of the offense that resulted in the imprisonment, the board shall order as a condition of post-prison supervision that the person reside for the first six months after release in the county where the person resided at the time of the offense that resulted in the imprisonment.
  - (c) For purposes of paragraph (b) of this subsection:

- (A) The board shall determine the county where the person resided at the time of the offense by examining records such as:
- (i) An Oregon driver license, regardless of its validity;
- (ii) Records maintained by the Department of Revenue;
  - (iii) Records maintained by the Department of State Police;
- 11 (iv) Records maintained by the Department of Human Services;
  - (v) Records maintained by the Department of Corrections; and
  - (vi) Records maintained by the Oregon Health Authority.
  - (B) If the person did not have an identifiable address at the time of the offense, or the address cannot be determined, the person is considered to have resided in the county where the offense occurred.
  - (C) If the person is serving multiple sentences, the county of residence is determined according to the date of the last arrest resulting in a conviction.
  - (D) In determining the person's county of residence, the board may not consider offenses committed by the person while the person was incarcerated in a Department of Corrections facility.
  - (d) Upon motion of the board, the supervisory authority, the person, a victim or a district attorney, the board may waive the residency condition under paragraph (b) of this subsection only after making a finding that one of the following conditions has been met:
  - (A) The person provides proof of employment with no set ending date in a county other than the county of residence determined under paragraph (c) of this section;
  - (B) The person is found to pose a significant danger to a victim of the person's crime residing in the county of residence, or a victim or victim's family residing in the county of residence is found to pose a significant danger to the person;
  - (C) The person has a spouse or biological or adoptive family residing in a county other than the county of residence who will be materially significant in aiding in the rehabilitation of the person and in the success of the post-prison supervision;
  - (D) As another condition of post-prison supervision, the person is required to participate in a treatment program that is not available in the county of residence;
    - (E) The person requests release to another state; or
    - (F) The board finds other good cause for the waiver.
  - (e) The board shall consider eligibility for transitional housing programs and residential treatment programs when determining whether to waive the residency condition under paragraph (b) of this subsection, and the acceptance of the person into a transitional housing program or a residential treatment program constitutes good cause as described in paragraph (d)(F) of this subsection.
    - (8) As used in this section:
  - (a) "Attends," "carries on a vocation," "institution of higher education" and "works" have the meanings given those terms in ORS 163A.005.
    - (b)(A) "Dwelling" has the meaning given that term in ORS 469B.100.
- 44 (B) "Dwelling" does not mean a residential treatment facility or a halfway house.
  - (c) "Halfway house" means a residential facility that provides rehabilitative care and treatment

1 for sex offenders.

(d) "Labor dispute" has the meaning given that term in ORS 662.010.

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### DESIGNATED DRUG-RELATED AND PROPERTY MISDEMEANORS

#### (Supervision Duty and Funding)

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- SECTION 38. ORS 423.478 is amended to read:
- 423.478. (1) The Department of Corrections shall:
  - (a) Operate prisons for offenders sentenced to terms of incarceration for more than 12 months;
- 10 (b) Provide central information and data services sufficient to:
  - (A) Allow tracking of offenders; and
  - (B) Permit analysis of correlations between sanctions, supervision, services and programs, and future criminal conduct; and
    - (c) Provide interstate compact administration and jail inspections.
  - (2) Subject to ORS 423.483, each county, in partnership with the department, shall assume responsibility for community-based supervision, sanctions and services for offenders convicted of felonies, designated drug-related misdemeanors, [or] designated person misdemeanors or designated property misdemeanors who are:
    - (a) On parole;
    - (b) On probation;
      - (c) On post-prison supervision;
  - (d) Sentenced, on or after January 1, 1997, to 12 months or less incarceration;
  - (e) Sanctioned, on or after January 1, 1997, by a court or the State Board of Parole and Post-Prison Supervision to 12 months or less incarceration for violation of a condition of parole, probation or post-prison supervision; or
    - (f) On conditional release under ORS 420A.206.
  - (3) Notwithstanding the fact that the court has sentenced a person to a term of incarceration, when an offender is committed to the custody of the supervisory authority of a county under ORS 137.124 (2) or (4), the supervisory authority may execute the sentence by imposing sanctions other than incarceration if deemed appropriate by the supervisory authority. If the supervisory authority releases a person from custody under this subsection and the person is required to report as a sex offender under ORS 163A.010, the supervisory authority, as a condition of release, shall order the person to report to the Department of State Police, a city police department or a county sheriff's office or to the supervising agency, if any:
    - (a) When the person is released;
    - (b) Within 10 days of a change of residence;
    - (c) Once each year within 10 days of the person's birth date;
  - (d) Within 10 days of the first day the person works at, carries on a vocation at or attends an institution of higher education; and
- 40 (e) Within 10 days of a change in work, vocation or attendance status at an institution of higher education.
  - (4) As used in this section:
  - (a) "Attends," "institution of higher education," "works" and "carries on a vocation" have the meanings given those terms in ORS 163A.005.
    - (b) "Designated drug-related misdemeanor" means:

- 1 (A) Unlawful possession of [fentanyl] a controlled substance under ORS 475.752 [(8)(a)] (3)(a), 2 (b), (c) or (d);
- 3 (B) Unlawful possession of methadone under ORS 475.824 [(2)(b)] (2)(a);
- 4 (C) Unlawful possession of oxycodone under ORS 475.834 [(2)(b)] (2)(a);
  - (D) Unlawful possession of heroin under ORS 475.854 [(2)(b)] (2)(a);
- 6 (E) Unlawful possession of 3,4-methylenedioxymethamphetamine under ORS 475.874 [(2)(b)] 7 (2)(a);
  - (F) Unlawful possession of cocaine under ORS 475.884 [(2)(b)] (2)(a); [or]
- 9 (G) Unlawful possession of methamphetamine under ORS 475.894 [(2)(b).] (2)(a); or
- 10 (H) Unlawful use of a controlled substance in a public place under section 25 of this 2024 11 Act.
  - (c) "Designated person misdemeanor" means:

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- (A) Assault in the fourth degree constituting domestic violence if the judgment document is as described in ORS 163.160 (4);
- 15 (B) Menacing constituting domestic violence if the judgment document is as described in ORS 16 163.190 (3); or
  - (C) Sexual abuse in the third degree under ORS 163.415.
  - (d) "Designated property misdemeanor" means any of the following offenses, when the court designates in the judgment of conviction that the offense is related to the defendant's substance abuse disorder:
    - (A) Theft in the third degree under ORS 164.043;
- 22 (B) Theft in the second degree under ORS 164.045;
- 23 (C) Criminal trespass in the second degree under ORS 164.245;
  - (D) Criminal trespass in the first degree under ORS 164.255;
- 25 (E) Unlawful entry into a motor vehicle under ORS 164.272;
- 26 (F) Criminal mischief in the second degree under ORS 164.354;
- 27 (G) An attempt to commit any of the following offenses:
- 28 (i) Theft in the first degree under ORS 164.055;
  - (ii) Unauthorized use of a vehicle under ORS 164.135;
- 30 (iii) Criminal mischief in the first degree under ORS 164.365; or
  - (iv) Identity theft under ORS 165.800.
- 32 **SECTION 39.** ORS 423.483 is amended to read:
  - 423.483. (1)(a) The baseline funding for biennia beginning after June 30, 1999, is the current service level for the expenses of providing management, support services, supervision and sanctions for offenders described in ORS 423.478 (2). At a minimum, each biennium's appropriation must be established at this baseline.
    - (b) The baseline funding described in paragraph (a) of this subsection:
- 38 (A) May not be decreased as a result of a reduction under ORS 137.633.
  - (B) May not be increased as a result of community-based sanctions, services and programs that are funded under section 53, chapter 649, Oregon Laws 2013.
    - (2) If the total state community corrections appropriation is less than the baseline calculated under subsection (1) of this section, a county may discontinue participation by written notification to the director 180 days prior to implementation of the change. If a county discontinues participation, the responsibility for correctional services transferred to the county and the portion of funding made available to the county under ORS 423.530 revert to the Department of Corrections.

Responsibility for supervision of and provision of correctional services to misdemeanor offenders does not revert to the department under any circumstances except those of offenders convicted of designated drug-related misdemeanors, [or] designated person misdemeanors or designated property misdemeanors.

(3) As used in this section:

- (a) "Current service level" means the calculated cost of continuing current legislatively funded programs, phased in programs and increased caseloads minus one-time costs, decreased caseloads, phased out programs and pilot programs with the remainder adjusted for inflation as determined by the Legislative Assembly in its biennial appropriation to the Department of Corrections.
  - (b) "Designated drug-related misdemeanor" has the meaning given that term in ORS 423.478.
  - (c) "Designated person misdemeanor" has the meaning given that term in ORS 423.478.
- (d) "Designated property misdemeanor" has the meaning given that term in ORS 423.478. SECTION 40. ORS 423.483, as amended by section 22, chapter 649, Oregon Laws 2013, section 3, chapter 140, Oregon Laws 2015, and section 2, chapter 341, Oregon Laws 2023, is amended to read:
- 423.483. (1)(a) The baseline funding for biennia beginning after June 30, 1999, is the current service level for the expenses of providing management, support services, supervision and sanctions for offenders described in ORS 423.478 (2). At a minimum, each biennium's appropriation must be established at this baseline.
- (b) The baseline funding described in paragraph (a) of this subsection may not be decreased as a result of a reduction under ORS 137.633.
- (2) If the total state community corrections appropriation is less than the baseline calculated under subsection (1) of this section, a county may discontinue participation by written notification to the director 180 days prior to implementation of the change. If a county discontinues participation, the responsibility for correctional services transferred to the county and the portion of funding made available to the county under ORS 423.530 revert to the Department of Corrections. Responsibility for supervision of and provision of correctional services to misdemeanor offenders does not revert to the department under any circumstances except those of offenders convicted of designated drug-related misdemeanors, [or] designated person misdemeanors or designated property misdemeanors.
  - (3) As used in this section:
- (a) "Current service level" means the calculated cost of continuing current legislatively funded programs, phased in programs and increased caseloads minus one-time costs, decreased caseloads, phased out programs and pilot programs with the remainder adjusted for inflation as determined by the Legislative Assembly in its biennial appropriation to the Department of Corrections.
  - (b) "Designated drug-related misdemeanor" has the meaning given that term in ORS 423.478.
  - (c) "Designated person misdemeanor" has the meaning given that term in ORS 423.478.
  - (d) "Designated property misdemeanor" has the meaning given that term in ORS 423.478. SECTION 41. ORS 423.525 is amended to read:
- 423.525. (1) A county, group of counties or intergovernmental corrections entity shall apply to the Director of the Department of Corrections in a manner and form prescribed by the director for funding made available under ORS 423.500 to 423.560. The application shall include a community corrections plan. The Department of Corrections shall provide consultation and technical assistance to counties to aid in the development and implementation of community corrections plans.
  - (2)(a) From July 1, 1995, until June 30, 1999, a county, group of counties or intergovernmental

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corrections entity may make application requesting funding for the construction, acquisition, expansion or remodeling of correctional facilities to serve the county, group of counties or intergovernmental corrections entity. The department shall review the application for funding of correctional facilities in accordance with criteria that consider design, cost, capacity, need, operating efficiency and viability based on the county's, group of counties' or intergovernmental corrections entity's ability to provide for ongoing operations.

(b)(A) If the application is approved, the department shall present the application with a request to finance the facility with financing agreements to the State Treasurer and the Director of the Oregon Department of Administrative Services. Except as otherwise provided in subparagraph (B) of this paragraph, upon approval of the request by the State Treasurer and the Director of the Oregon Department of Administrative Services, the facility may be financed with financing agreements, and certificates of participation issued pursuant thereto, as provided in ORS 283.085 to 283.092. All decisions approving or denying applications and requests for financing under this section are final. No such decision is subject to judicial review of any kind.

- (B) If requests to finance county correctional facility projects are submitted after February 22, 1996, and the requests have not been approved by the department on the date a session of the Legislative Assembly convenes, the requests are also subject to the approval of the Legislative Assembly.
- (c) After approval but prior to the solicitation of bids or proposals for the construction of a project, the county, group of counties or intergovernmental corrections entity and the department shall enter into a written agreement that determines the procedures, and the parties responsible, for the awarding of contracts and the administration of the construction project for the approved correctional facility. If the parties are unable to agree on the terms of the written agreement, the Governor shall decide the terms of the agreement. The Governor's decision is final.
- (d) After approval of a construction project, the administration of the project shall be conducted as provided in the agreement required by paragraph (c) of this subsection. The agreement must require at a minimum that the county, group of counties or intergovernmental corrections entity shall submit to the department any change order or alteration of the design of the project that, singly or in the aggregate, reduces the capacity of the correctional facility or materially changes the services or functions of the project. The change order or alteration is not effective until approved by the department. In reviewing the change order or alteration, the department shall consider whether the implementation of the change order or alteration will have any material adverse impact on the parties to any financing agreements or the holders of any certificates of participation issued to fund county correctional facilities under this section. In making its decision, the department may rely on the opinions of the Department of Justice, bond counsel or professional financial advisers.
- (3) Notwithstanding ORS 283.085, for purposes of this section, "financing agreement" means a lease purchase agreement, an installment sale agreement, a loan agreement or any other agreement to finance a correctional facility described in this section, or to refinance a previously executed financing agreement for the financing of a correctional facility. The state is not required to own or operate a correctional facility in order to finance it under ORS 283.085 to 283.092 and this section. The state, an intergovernmental corrections entity, county or group of counties may enter into any agreements, including, but not limited to, leases and subleases, that are reasonably necessary or generally accepted by the financial community for purposes of acquiring or securing financing as authorized by this section. In financing county correctional facilities under this section, "property rights" as used in ORS 283.085 includes leasehold mortgages of the state's rights under leases of

correctional facilities from counties.

- (4) Notwithstanding any other provision of state law, county charter or ordinance, a county may convey or lease to the State of Oregon, acting by and through the Department of Corrections, title to interests in, or a lease of, any real property, facilities or personal property owned by the county for the purpose of financing the construction, acquisition, expansion or remodeling of a correctional facility. Upon the payment of all principal and interest on, or upon any other satisfaction of, the financing agreement used to finance the construction, acquisition, expansion or remodeling of a correctional facility, the state shall reconvey its interest in, or terminate and surrender its leasehold of, the property or facilities, including the financed construction, acquisition, expansion or remodeling, to the county. In addition to any authority granted by ORS 283.089, for the purposes of obtaining financing, the state may enter into agreements under which the state may grant to trustees or lenders leases, subleases and other security interests in county property conveyed or leased to the state under this subsection and in the property or facilities financed by financing agreements.
- (5) In connection with the financing of correctional facilities, the Director of the Oregon Department of Administrative Services may bill the Department of Corrections, and the Department of Corrections shall pay the amounts billed, in the same manner as provided in ORS 283.089. As required by ORS 283.091, the Department of Corrections and the Oregon Department of Administrative Services shall include in the Governor's budget all amounts that will be due in each fiscal period under financing agreements for correctional facilities. Amounts payable by the state under a financing agreement for the construction, acquisition, expansion or remodeling of a correctional facility are limited to available funds as defined in ORS 283.085, and no lender, trustee, certificate holder or county has any claim or recourse against any funds of the state other than available funds.
- (6) The director shall adopt rules that may be necessary for the administration, evaluation and implementation of ORS 423.500 to 423.560. The standards shall be sufficiently flexible to foster the development of new and improved supervision or rehabilitative practices and maximize local control.
- (7) When a county assumes responsibility under ORS 423.500 to 423.560 for correctional services previously provided by the department, the county and the department shall enter into an intergovernmental agreement that includes a local community corrections plan consisting of program descriptions, budget allocation, performance objectives and methods of evaluating each correctional service to be provided by the county. The performance objectives must include in dominant part reducing future criminal conduct. The methods of evaluating services must include, to the extent of available information systems resources, the collection and analysis of data sufficient to determine the apparent effect of the services on future criminal conduct.
- (8) All community corrections plans shall comply with rules adopted pursuant to ORS 423.500 to 423.560, and shall include but need not be limited to an outline of the basic structure and the supervision, services and local sanctions to be applied to offenders convicted of felonies, designated drug-related misdemeanors, [and] designated person misdemeanors and designated property misdemeanors who are:
  - (a) On parole;
  - (b) On probation;
  - (c) On post-prison supervision;
  - (d) Sentenced, on or after January 1, 1997, to 12 months or less incarceration;
- (e) Sanctioned, on or after January 1, 1997, by a court or the State Board of Parole and Post-Prison Supervision to 12 months or less incarceration for a violation of a condition of parole, probation or post-prison supervision; and

- (f) On conditional release under ORS 420A.206.
- (9) All community corrections plans shall designate a community corrections manager of the county or counties and shall provide that the administration of community corrections under ORS 423.500 to 423.560 shall be under such manager.
- (10) No amendment to or modification of a county-approved community corrections plan shall be placed in effect without prior notice to the director for purposes of statewide data collection and reporting.
- (11) The obligation of the state to provide funding and the scheduling for providing funding of a project approved under this section is dependent upon the ability of the state to access public security markets to sell financing agreements.
  - (12) No later than January 1 of each odd-numbered year, the Department of Corrections shall:
- (a) Evaluate the community corrections policy established in ORS 423.475, 423.478, 423.483 and 423.500 to 423.560; and
  - (b) Assess the effectiveness of local revocation options.
- (13) As used in this section, "designated drug-related misdemeanor," [and] "designated person misdemeanor" and "designated property misdemeanor" have the meanings given those terms in ORS 423.478.

#### (Mandatory Drug Treatment)

- SECTION 42. (1) Notwithstanding ORS 137.540, for a person charged with or convicted of a designated drug-related misdemeanor or designated property misdemeanor, the following must be ordered as condition of probation or included as part of any conditional discharge diversion agreement under section 43 of this 2024 Act:
- (a) A requirement that the person be evaluated to determine whether the person is a drug-dependent person, and that the person provide written consent for such evaluation; and
- (b) A requirement that, if the evaluation described in paragraph (a) of this subsection indicates that the person is a drug-dependent person and that the person may benefit from treatment for drug dependence, the person complete the course of treatment as directed by the evaluator.
  - (2) When an evaluation and treatment is required under subsection (1) of this section:
- (a) The state shall fund the costs of the evaluation and treatment, including supervision related to the person's compliance with evaluation and treatment requirements.
- (b) The court may assess against the person a fee to offset the costs described in paragraph (a) of this subsection based on the person's ability to pay.
- (3) As used in this section, "designated drug-related misdemeanor" and "designated property misdemeanor" have the meanings given those terms in ORS 423.478.

#### (Conditional Discharge Diversion)

SECTION 43. (1)(a) The district attorney shall offer any person charged with a designated drug-related misdemeanor who meets the eligibility requirements described in subsection (5) of this section the opportunity to enter into a conditional discharge diversion agreement. If the defendant enters into the agreement within 30 days after arraignment, or at a later date with the consent of the district attorney, the court shall defer further proceedings and place

the person on probation. The terms of the probation shall be defined by the agreement.

- (b) A conditional discharge diversion agreement described in this section carries the understanding that if the defendant fulfills the terms of the agreement, the criminal charges filed against the defendant will be dismissed with prejudice.
- (c) The agreement must contain a waiver of the following rights of the defendant with respect to each criminal charge:
  - (A) The right to a speedy trial and trial by jury;

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- (B) The right to present evidence on the defendant's behalf;
- (C) The right to confront and cross-examine witnesses against the defendant;
- (D) The right to contest evidence presented against the defendant, including the right to object to hearsay evidence; and
- (E) The right to appeal from a judgment of conviction resulting from an adjudication of guilt entered under subsection (2) of this section, unless the appeal is based on an allegation that the sentence exceeds the maximum allowed by law or constitutes cruel and unusual punishment.
- (d) The agreement must include a requirement that the defendant pay any restitution owed to the victim as determined by the court, and any fees for court-appointed counsel ordered by the court under ORS 135.050.
- (e) The agreement may not contain a requirement that the defendant enter a plea of guilty or no contest on any charge in the accusatory instrument.
- (f) Entering into the agreement does not constitute an admission of guilt and is not sufficient to warrant a finding or adjudication of guilt by a court.
- (g) Police reports or other documents associated with the criminal charges in a court file other than the probation agreement may not be admitted into evidence, and do not establish a factual basis for finding the defendant guilty, unless the court resumes criminal proceedings and enters an adjudication of guilt under subsection (2) of this section.
- (2) Upon violation of a term or condition of the conditional discharge diversion agreement, the court may resume the criminal proceedings and may find the defendant guilty of the offenses in the accusatory instrument in accordance with the waiver of rights in the agreement. The defendant may not contest the sufficiency of the evidence establishing the defendant's guilt of the offenses in the accusatory instrument.
- (3) Upon a determination by the court that the terms and conditions of the conditional discharge diversion agreement have been met, the court shall discharge the person and dismiss the proceedings against the person. Discharge and dismissal under this section shall be without adjudication of guilt and is not a conviction for purposes of this section or for purposes of disqualifications or disabilities imposed by law upon conviction of a crime.
- (4) In the event that the period of probation under this section expires, but the terms and conditions of the conditional discharge diversion agreement have not been fulfilled and no probation violation proceeding was initiated prior to the expiration of the period of probation, the court may not discharge the person and dismiss the proceedings against the person. The court shall instead issue an order requiring the person to appear and to show cause why the court should not enter an adjudication of guilt as described in subsection (2) of this section due to the failure of the person to fulfill the terms and conditions of the agreement prior to expiration of the period of probation. At the hearing on the order to show cause, after considering any evidence or argument from the district attorney and the person,

[32]

1 the court may:

- (a) Order a new period of probation to allow the person to fulfill the terms and conditions of the agreement; or
  - (b) Enter an adjudication of guilt as described in subsection (2) of this section.
- (5) A defendant is eligible for a conditional discharge diversion agreement as described in this section if the defendant meets all of the following conditions:
- (a) On the date the defendant enters into the agreement, the defendant has no charge, other than the charge that is the subject of the agreement, pending.
- (b) The defendant has not been convicted of manufacture or delivery of a controlled substance as described in ORS 475.752 to 475.980, or a statutory counterpart in another jurisdiction, within the previous five years.
  - (c) The defendant has not, within the previous year:
- (A) Participated in a diversion program for possession of a controlled substances or driving under the influence of intoxicants, or in any similar diversion program related to the use of alcohol or controlled substances, in this state or in any other jurisdiction;
- (B) Participated in a previous conditional discharge diversion program, a conditional postponement or a similar diversion program for a designated drug-related misdemeanor; or
  - (C) Been sentenced to probation for a designated drug misdemeanor.
- (d) The defendant does not have a criminal history score of A or B on the sentencing guidelines grid of the Oregon Criminal Justice Commission.
- (6) As used in this section, "designated drug-related misdemeanor" has the meaning given that term in ORS 423.478.

(Expungement)

#### **SECTION 44.** ORS 137.225 is amended to read:

137.225. (1)(a) At any time after the person becomes eligible as described in paragraph (b) of this subsection, any person convicted of an offense who has fully complied with and performed the sentence of the court for the offense, and whose conviction is described in subsection (5) of this section, by motion may apply to the court where the conviction was entered for entry of an order setting aside the conviction. A person who is still under supervision as part of the sentence for the offense that is the subject of the motion has not fully complied with or performed the sentence of the court.

- (b) A person is eligible to file a motion under paragraph (a) of this subsection:
- (A) For a Class B felony, seven years from the date of conviction or the release of the person from imprisonment for the conviction sought to be set aside, whichever is later.
- (B) For a Class C felony, five years from the date of conviction or the release of the person from imprisonment for the conviction sought to be set aside, whichever is later.
- (C) For a Class A misdemeanor, three years from the date of conviction or the release of the person from imprisonment for the conviction sought to be set aside, whichever is later.
- (D) For a Class B or Class C misdemeanor, a violation or the finding of a person in contempt of court, one year from the date of conviction or finding or the release of the person from imprisonment for the conviction or finding sought to be set aside, whichever is later.
- (E) Notwithstanding subparagraphs (A) to (D) of this paragraph, for possession of a controlled substance constituting a Class A misdemeanor, or use of a controlled substance in a public place under section 25 of this 2024 Act, immediately following the successful

completion of all conditions of probation resulting from the conviction sought to be set aside, one year from the date of conviction or one year from the release of the person from imprisonment for the conviction sought to be set aside, whichever occurs latest.

- (c) If no accusatory instrument is filed, at any time after 60 days from the date the prosecuting attorney indicates that the state has elected not to proceed with a prosecution or contempt proceeding, an arrested, cited or charged person may apply to the court in the county in which the person was arrested, cited or charged, for entry of an order setting aside the record of the arrest, citation or charge.
- (d) At any time after an acquittal or a dismissal other than a dismissal described in paragraph (c) of this subsection, an arrested, cited or charged person may apply to the court in the county in which the person was arrested, cited or charged, for entry of an order setting aside the record of the arrest, citation or charge.
- (e) Notwithstanding paragraph (b) of this subsection, a person whose sentence of probation was revoked may not apply to the court for entry of an order setting aside the conviction for which the person was sentenced to probation for a period of three years from the date of revocation or until the person becomes eligible as described in paragraph (b) of this subsection, whichever occurs later.
- (f) A person filing a motion under this section is not required to pay the filing fee established under ORS 21.135.
- (2)(a) A copy of the motion shall be served upon the office of the prosecuting attorney who prosecuted the offense, or who had authority to prosecute the charge if there was no accusatory instrument filed. The prosecuting attorney may object to a motion filed under subsection (1)(a) of this section and shall notify the court and the person of the objection within 120 days of the date the motion was filed with the court.
- (b) When a prosecuting attorney is served with a copy of a motion to set aside a conviction under subsection (1)(a) of this section, the prosecuting attorney shall provide a copy of the motion and notice of the hearing date to the victim, if any, of the offense by mailing a copy of the motion and notice to the victim's last-known address.
- (c) When a person makes a motion under this section, the person shall forward to the Department of State Police a full set of the person's fingerprints on a fingerprint card or in any other manner specified by the department.
- (d) When a person makes a motion under subsection (1)(a) of this section, the person must pay a fee to the Department of State Police for the purpose of the department performing a criminal record check. The department shall establish a fee in an amount not to exceed the actual cost of performing the criminal record check. If the department is required to perform only one criminal record check for the person, the department may only charge one fee, regardless of the number of counties in which the person is filing a motion to set aside a conviction, arrest, charge or citation under this section. The department shall provide a copy of the results of the criminal record check to the prosecuting attorney.
- (e) The prosecuting attorney may not charge the person a fee for performing the requirements described in this section.
- (3)(a) If an objection is received to a motion filed under subsection (1)(a) of this section, the court shall hold a hearing, and may require the filing of such affidavits and may require the taking of such proofs as the court deems proper. The court shall allow the victim to make a statement at the hearing. If the person is otherwise eligible for relief under this section, the court shall grant the motion and enter an order as described in paragraph (b) of this subsection unless the court makes

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written findings, by clear and convincing evidence, that the circumstances and behavior of the person, from the date of the conviction the person is seeking to set aside to the date of the hearing on the motion, do not warrant granting the motion due to the circumstances and behavior creating a risk to public safety. When determining whether the person's circumstances and behavior create a risk to public safety, the court may only consider criminal behavior, or violations of regulatory law or administrative rule enforced by civil penalty or other administrative sanction that relate to the character of the conviction sought to be set aside. The court may not consider nonpunitive civil liability, monetary obligations and motor vehicle violations. Upon granting the motion, the court shall enter an appropriate order containing the original arrest or citation charge, the conviction charge, if different from the original, the date of charge, the submitting agency and the disposition of the charge. Upon the entry of the order, the person for purposes of the law shall be deemed not to have been previously convicted, and the court shall issue an order sealing the record of conviction and other official records in the case, including the records of arrest, citation or charge.

- (b) The court shall grant a motion filed under subsection (1)(c) or (d) of this section, or under subsection (1)(a) of this section if no objection to the motion is received, and shall enter an appropriate order containing the original arrest or citation charge, the conviction charge, if applicable and different from the original, the date of charge, the submitting agency and the disposition of the charge. Upon the entry of the order, the person for purposes of the law shall be deemed not to have been previously convicted, arrested, cited or charged, and the court shall issue an order sealing all official records in the case, including the records of arrest, citation or charge, whether or not the arrest, citation or charge resulted in a further criminal proceeding.
- (4) The clerk of the court shall forward a certified copy of the order to such agencies as directed by the court. A certified copy must be sent to the Department of Corrections when the order concerns a conviction. Upon entry of the order, the conviction, arrest, citation, charge or other proceeding shall be deemed not to have occurred, and the person may answer accordingly any questions relating to its occurrence.
  - (5) The provisions of subsection (1)(a) of this section apply to a conviction for:
- (a) A Class B felony, except for a violation of ORS 166.429 or any crime classified as a person felony as defined in the rules of the Oregon Criminal Justice Commission.
- (b) Any misdemeanor, Class C felony or felony punishable as a misdemeanor pursuant to ORS 161.705.
  - (c) An offense constituting a violation under state law or local ordinance.
- (d) An offense committed before January 1, 1972, that, if committed after that date, would qualify for an order under this section.
  - (e) The finding of a person in contempt of court.
- (6) Notwithstanding subsection (5) of this section, the provisions of subsection (1)(a) of this section do not apply to a conviction for:
- (a) Criminal mistreatment in the second degree under ORS 163.200 if the victim at the time of the crime was 65 years of age or older.
- (b) Criminal mistreatment in the first degree under ORS 163.205 if the victim at the time of the crime was 65 years of age or older, or when the offense constitutes child abuse as defined in ORS 419B.005.
- (c) Endangering the welfare of a minor under ORS 163.575 (1)(a), when the offense constitutes child abuse as defined in ORS 419B.005.
- (d) Criminally negligent homicide under ORS 163.145, when that offense was punishable as a

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1 Class C felony.

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- 2 (e) Assault in the third degree under ORS 163.165 (1)(h).
- 3 (f) Any sex crime, unless:
- (A) The sex crime is listed in ORS 163A.140 (1)(a) and:
  - (i) The person has been relieved of the obligation to report as a sex offender pursuant to a court order entered under ORS 163A.145 or 163A.150; and
  - (ii) The person has not been convicted of, found guilty except for insanity of or found to be within the jurisdiction of the juvenile court based on a crime for which the court is prohibited from setting aside the conviction under this section; or
    - (B) The sex crime constitutes a Class C felony and:
- 11 (i) The person was under 16 years of age at the time of the offense;
- 12 (ii) The person is:
  - (I) Less than two years and 180 days older than the victim; or
  - (II) At least two years and 180 days older, but less than three years and 180 days older, than the victim and the court finds that setting aside the conviction is in the interests of justice and of benefit to the person and the community;
  - (iii) The victim's lack of consent was due solely to incapacity to consent by reason of being less than a specified age;
    - (iv) The victim was at least 12 years of age at the time of the offense;
  - (v) The person has not been convicted of, found guilty except for insanity of or found to be within the jurisdiction of the juvenile court based on a crime for which the court is prohibited from setting aside the conviction under this section; and
    - (vi) Each conviction or finding described in this subparagraph involved the same victim.
  - (7) Notwithstanding subsection (5) of this section, the provisions of subsection (1) of this section do not apply to:
    - (a) A conviction for a state or municipal traffic offense.
  - (b) A person convicted, within the following applicable time period immediately preceding the filing of the motion pursuant to subsection (1) of this section, of any other offense, excluding motor vehicle violations, whether or not the other conviction is for conduct associated with the same criminal episode that caused the arrest, citation, charge or conviction that is sought to be set aside:
    - (A) For a motion concerning a Class B felony, seven years.
    - (B) For a motion concerning a Class C felony, five years.
    - (C) For a motion concerning a Class A misdemeanor, three years.
  - (D) For a motion concerning a Class B or Class C misdemeanor a violation or a finding of contempt of court, one year.
  - (c) A single violation, other than a motor vehicle violation, within the time period specified in paragraph (b) of this subsection is not a conviction under this subsection. Notwithstanding subsection (1) of this section, a conviction that has been set aside under this section shall be considered for the purpose of determining whether paragraph (b) of this subsection is applicable.
  - (d) A person who at the time the motion authorized by subsection (1) of this section is pending before the court is under charge of commission of any crime.
  - (8) The provisions of subsection (1)(c) or (d) of this section do not apply to an arrest or citation for driving while under the influence of intoxicants if the charge is dismissed as a result of the person's successful completion of a diversion agreement described in ORS 813.200.
  - (9) The provisions of subsection (1) of this section apply to convictions, arrests, citations and

charges that occurred before, as well as those that occurred after, September 9, 1971. There is no time limit for making an application.

- (10) For purposes of any civil action in which truth is an element of a claim for relief or affirmative defense, the provisions of subsection (3) of this section providing that the conviction, arrest, citation, charge or other proceeding be deemed not to have occurred do not apply and a party may apply to the court for an order requiring disclosure of the official records in the case as may be necessary in the interest of justice.
- (11)(a) Upon motion of any prosecutor or defendant in a case involving records sealed under this section, supported by affidavit showing good cause, the court with jurisdiction may order the reopening and disclosure of any records sealed under this section for the limited purpose of assisting the investigation of the movant. However, such an order has no other effect on the orders setting aside the conviction or the arrest, citation or charge record.
- (b) Notwithstanding paragraph (a) of this subsection, when an arrest, citation or charge described in subsection (1)(c) of this section is set aside, a prosecuting attorney may, for the purpose of initiating a criminal proceeding within the statute of limitations, unseal the records sealed under this section by notifying the court with jurisdiction over the charge, record of arrest or citation. The prosecuting attorney shall notify the person who is the subject of the records of the unsealing under this paragraph by sending written notification to the person's last known address.
- (12) The State Court Administrator shall create forms to be used throughout the state for motions and proposed orders described in this section.
  - (13) As used in this section:

- (a) "Affidavit" includes a declaration under penalty of perjury.
- (b) "Sex crime" has the meaning given that term in ORS 163A.005.

### OPIOID OVERDOSE RAPID RESPONSE GRANT PROGRAM

<u>SECTION 45.</u> (1) The Opioid Overdose Rapid Response Grant Program is established to assist cities and counties in establishing and supporting opioid overdose rapid response teams.

- (2) The Oregon Criminal Justice Commission shall administer the grant program described in subsection (1) of this section and shall award the grants described in this section.
- (3) The commission shall adopt rules to administer the grant program. Rules adopted under this section must include:
- (a) A methodology for reviewing and approving grant applications and awarding grants; and
  - (b) A process for evaluating the efficacy of the services funded by the grant program.
- (4) As used in this section, "opioid overdose rapid response team" means a small team of persons who respond as soon as possible, and within 72 hours, to reports of opioid overdose events or reports of the administration of Naloxone, to offer person-centered services, including referrals to drug treatment programs, to the person experiencing the overdose or to whom the Naloxone is administered. An opioid overdose rapid response team may consist of a peace officer, a firefighter or emergency medical technician, a peer recovery mentor and a treatment professional.
- SECTION 46. In addition to and not in lieu of any other appropriation, there is appropriated to the Oregon Criminal Justice Commission, for the biennium ending June 30, 2025,

out of the General Fund, the amount of \$\_\_\_\_\_\_, for the purposes of the grant program described in section 45 of this 2024 Act.

## HOLD DURATION FOR PERSONS UNDER THE INFLUENCE OF DRUGS OR ALCOHOL

#### **SECTION 47.** ORS 430.399 is amended to read:

430.399. (1) Any person who is intoxicated or under the influence of controlled substances in a public place may be sent home or taken to a sobering facility or to a treatment facility by a police officer. If the person is incapacitated, the person shall be taken by the police officer to an appropriate treatment facility or sobering facility. If the health of the person appears to be in immediate danger, or the police officer has reasonable cause to believe the person is dangerous to self or to any other person, the person shall be taken by the police officer to an appropriate treatment facility or sobering facility. A person shall be deemed incapacitated when in the opinion of the police officer the person is unable to make a rational decision as to acceptance of assistance.

- (2) When a person is taken to a treatment facility, the director of the treatment facility shall determine whether the person shall be admitted as a patient, referred to another treatment facility or a sobering facility or denied referral or admission. If the person is incapacitated or the health of the person appears to be in immediate danger, or if the director has reasonable cause to believe the person is dangerous to self or to any other person, the person must be admitted. The person shall be discharged within [48] 72 hours unless the person has applied for voluntary admission to the treatment facility.
- (3) When a person is taken to a sobering facility, the staff of the sobering facility shall, consistent with the facility's comprehensive written policies and procedures, determine whether or not the person shall be admitted into the sobering facility. A person who is admitted shall be discharged from the sobering facility within 24 hours.
- (4) In the absence of any appropriate treatment facility or sobering facility, or if a sobering facility determines that a person should not be admitted to the sobering facility, an intoxicated person or a person under the influence of controlled substances who would otherwise be taken by the police officer to a treatment facility or sobering facility may be taken to the city or county jail where the person may be held until no longer intoxicated, under the influence of controlled substances or incapacitated.
- (5) An intoxicated person or person under the influence of controlled substances, when taken into custody by the police officer for a criminal offense, shall immediately be taken to the nearest appropriate treatment facility when the condition of the person requires emergency medical treatment.
- (6) The records of a person at a treatment facility or sobering facility may not, without the person's consent, be revealed to any person other than the director and staff of the treatment facility or sobering facility. A person's request that no disclosure be made of admission to a treatment facility or sobering facility shall be honored unless the person is incapacitated or disclosure of admission is required by ORS 430.397.

# ALCOHOL AND DRUG POLICY COMMISSION (Funding for Evidence-Informed Services)

## SECTION 48. (1) As used in this section:

- (a) "Commission" means the Alcohol and Drug Policy Commission established under ORS 430.221.
- (b) "Community court program" means an evidence-informed program that utilizes contingency management to address addiction with incentives and swift, certain and fair sanctions for noncompliance.
- (c) "Community harm reduction" means evidence-informed policies and practices that reduce harm to the community caused by drug-dependent persons and persons unlawfully distributing controlled substances.
- (d) "Detoxification facility" means a facility approved by the Oregon Health Authority that provides emergency care or treatment for drug-dependent persons.
- (e) "Drug-dependency related offense" means an offense that is motivated by a dependence on a controlled substance.
- (f) "Drug-dependent person" means an individual who has lost the ability to control the personal use of controlled substances with abuse potential, or who uses controlled substances to the extent that the health of the individual, or the health of other individuals, is substantially impaired or endangered, or the social or economic function of the individual is substantially disrupted. A drug-dependent person may or may not be physically dependent, a condition in which the body requires a continuing supply of a controlled substance to avoid characteristic withdrawal symptoms, or psychologically dependent, a condition characterized by an overwhelming mental desire for continued use of a controlled substance.
- (g) "Individual harm reduction" means evidence-informed policies and practices that reduce harm to drug-dependent persons, with or without the use of law enforcement.
- (h) "Local planning committee" means a local planning committee for alcohol and drug prevention and treatment services appointed by or designated by the county governing body under ORS 430.342.
- (i) "Police officer" means a member of a law enforcement unit who is employed on a part-time or full-time basis as a peace officer, commissioned by a city, a county or the Department of State Police and responsible for enforcing the criminal laws of this state, and any person formally deputized by a law enforcement unit to take custody of a person who is intoxicated or under the influence of one or more controlled substances.
- (j) "Prevention" means evidence-informed policies, procedures and practices that reduce the rate of persons that become drug-dependent persons among the population that is the target for the policies, procedures and practices.
- (k) "Recovery" means the state of a person who was a drug-dependent person but who is no longer drug-dependent.
  - (L) "Sobering center" means a facility that meets all of the following criteria:
- (A) The facility operates for the purpose of providing to individuals who are acutely intoxicated a safe, clean and supervised environment until the individuals are no longer acutely intoxicated.
- (B) The facility contracts with or is affiliated with a treatment program or a provider approved by the Oregon Health Authority to provide addiction treatment and the contract or affiliation agreement includes, but is not limited to, case consultation, training and advice and a plan for making referrals to addiction treatment.
- (C) The facility, in consultation with the addiction treatment program or provider, has adopted comprehensive written policies and procedures incorporating best practices for the

safety of intoxicated individuals, employees of the facility and volunteers at the facility.

- (D) The facility is registered with the Oregon Health Authority under ORS 430.262.
- (m) "Treatment" means a program that utilizes evidence-based methods to assist a drug-dependent person to become a person in recovery, and that:
- (A) Is based on published research in at least two peer-reviewed journals that cite the methods used in the program as effective in treating drug-dependent persons by assisting the persons to become persons in recovery;
- (B) Is standardized so that the program can be replicated with the same or similar efficacy;
- (C) Has been studied in more than one environment and has provided consistent and effective results; and
- (D) Is subject to ongoing evaluation to determine if implementation is adhering to the protocol for the method and delivering the desired results of assisting drug-dependent persons to become persons in recovery.
- (n) "Treatment facility" includes outpatient facilities, inpatient facilities and other facilities that provide treatment services that also meet the minimum standards established under ORS 430.357, any of which may also provide diagnosis and evaluation, medical care, detoxification, social services or rehabilitation for drug-dependent persons and which operate in the form of a general hospital, state hospital, foster home, hostel, clinic or other suitable form approved by the Oregon Health Authority.
- (2) Using funds from the Drug Treatment and Recovery Services Fund established under ORS 430.384 or from any other available source, the Alcohol and Drug Policy Commission shall provide grants and funding to counties, federally recognized Indian tribes in this state and Behavioral Health Resource Networks to support the provision of the following evidence-informed and evidence-based services:
  - (a) Prevention;

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- (b) Treatment;
- (c) Recovery support; and
- (d) Individual harm reduction.
- (3) Using funds from the Drug Treatment and Recovery Services Fund established under ORS 430.384 or from any other available source, the commission shall provide grants and funding to cities and counties to support enforcement related to community harm reduction services as described in subsection (6) of this section.
- (4) Grants and funding provided by the commission under this section shall ensure that each region of this state receives funding in equitable proportion to the region's need, as determined by the rules of the commission.
- (5) The commission shall prioritize the funding of detoxification facilities, sobering centers, treatment facilities and peer recovery support services, including culturally-specific programs, to all regions of the state on a formula grant basis as determined by the commission by rule.
- (6) The commission shall also prioritize the funding of community harm reduction on a competitive grant basis, including:
  - (a) Programs for diversion in lieu of arrest by a police officer;
- (b) Community court programs to divert and assist drug-dependent persons that have been charged with drug possession or other drug-dependent related offenses; and

- (c) Focused deterrence to eliminate overt drug markets.
- (7) The commission shall by rule specify the manner of applying for grants and funding under this section. All grant and funding applications must be approved by the local planning committee for each county in which the program will operate.
- (8) The chairperson of the commission shall request that the Legislative Assembly appropriate an amount of moneys each biennium to ensure that the funds available to the commission for grants and funding under this section is not less than the total amount deposited and transferred into the Drug Treatment and Recovery Services Fund pursuant to ORS 430.384 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.
  - (9) The commission may adopt rules to carry out the provisions of this section.

# (Transfer of Duties from Oregon Health Authority and Oversight and Accountability Council)

## SECTION 49. 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 deposited into the fund pursuant to ORS 305.231;]
- [(b)] (a) Moneys appropriated or otherwise transferred to the fund by the Legislative Assembly;
- [(c)] (b) Moneys allocated from the Oregon Marijuana Account, pursuant to ORS 475C.726 (3)(b); and
  - [(d) Moneys allocated from the Criminal Fine Account pursuant to ORS 137.300 (4); and]
  - [(e)] (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] Alcohol and Drug Policy Commission for the purposes set forth in ORS 430.389 and section 48 of this 2024 Act.
- (4)(a) Pursuant to subsection [(2)(b)] (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 and section 48 of this 2024 Act.
- (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 50.** ORS 430.387 is amended to read:

430.387. The [Oregon Health Authority] **Alcohol and Drug Policy Commission** 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, excluding amounts necessary to establish and maintain the telephone hotline described in ORS 430.391 (1).
- (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 51.** ORS 430.389 is amended to read:

- 430.389. (1) The [Oversight and Accountability Council] Alcohol and Drug Policy Commission shall approve grants and funding [provided by the Oregon Health Authority in accordance with this section] to accomplish the following:
- (a) Implement Behavioral Health Resource Networks and increase access to community care. 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[.]; and
  - (b) Provide grants and funding as described in section 48 of this 2024 Act.
  - (2)(a) The [authority] commission 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] commission 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 [council and the authority] **commission** 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] **commission** 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 [council] commission 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. Networks shall provide this service 24 hours a day, seven days a week, every calendar day of the year through a telephone line or other means. Networks may rely on the statewide telephone hotline established by the authority under ORS 430.391 for telephone screenings during nonbusiness hours such as evenings, weekends and holidays. 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 and training, child care and other services.
- (D) Ongoing peer counseling and support from screening and assessment through implementation of individual intervention plans as well as peer outreach workers to engage directly with marginalized community members who could potentially benefit from the network's services.
  - (E) Assessment of the need for, and provision of, mobile or virtual outreach services to:
  - (i) Reach clients who are unable to access the network; and
  - (ii) Increase public awareness of network services.
  - (F) Harm reduction services and information and education about harm reduction services.
- (G) Low-barrier substance use treatment.
  - (H) Transitional and supportive housing for individuals with substance use.
- (f) If an applicant for a grant or funding under this subsection is unable to provide all of the services described in paragraph (e) of this subsection, the applicant may identify how the applicant intends to partner with other entities to provide the services, and the [authority and the council] commission may facilitate collaboration among applicants.
- (g) All services provided through the networks must be evidence-informed, trauma-informed, culturally specific, linguistically responsive, person-centered and nonjudgmental. The goal shall be to address effectively the client's substance use and any other social determinants of health.
- (h) The networks must be adequately staffed to address the needs of people with substance use within their regions as prescribed by the authority by rule, including, at a minimum, at least one person in each of the following categories:
- (A) Alcohol and drug counselor certified by the authority or other credentialed addiction treatment professional;
  - (B) Case manager;
  - (C) Addiction peer support specialist certified by the [authority] Oregon Health Authority;
  - (D) Addiction peer wellness specialist certified by the authority;
- (E) Recovery mentor, certified by the Mental Health and Addiction Certification Board of Oregon or its successor organization; and
  - (F) Youth support specialist certified by the authority.
- (i) Verification of a screening by a certified addiction peer support specialist, wellness specialist or other person in accordance with paragraph (e)(A) of this subsection shall promptly be provided to the client by the entity conducting the screening. If the client executes a valid release of information, the entity shall provide verification of the screening to the authority or a contractor of the authority and the authority or the authority's contractor shall forward the verification to [the court, in the manner prescribed by the Chief Justice of the Supreme Court, to satisfy the conditions for dismissal under ORS 153.062 or 475.237] any entity the client has authorized to receive the verification.

[(3)(a) If moneys remain in the Drug Treatment and Recovery Services Fund after the council has committed grants and funding to establish behavioral health resource networks serving every county in this state, the council shall authorize grants and funding to other agencies or organizations, whether government or community based, and to the nine federally recognized tribes in this state and service

- providers that are affiliated with the nine federally recognized tribes in this state to increase access to one or more of the following:]
- 3 [(A) Low-barrier substance use treatment that is evidence-informed, trauma-informed, culturally 4 specific, linguistically responsive, person-centered and nonjudgmental;]
  - [(B) Peer support and recovery services;]

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- [(C) Transitional, supportive and permanent housing for persons with substance use;]
- [(D) Harm reduction interventions including, but not limited to, overdose prevention education, access to short-acting opioid antagonists, as defined in ORS 689.800, and sterile syringes and stimulant-specific drug education and outreach; or]
- [(E) Incentives and supports to expand the behavioral health workforce to support the services delivered by behavioral health resource networks and entities receiving grants or funding under this subsection.]
- [(b) A recipient of a grant or funding under this subsection may not use the grant or funding to supplant the recipient's existing funding.]
- [(4)] (3) In awarding grants and funding under [subsections (1) and (3)] subsection (1) of this section and section 48 of this 2024 Act, the [council] commission shall:
  - (a) Distribute grants and funding to ensure access to:
  - (A) Historically underserved populations; and
  - (B) Culturally specific and linguistically responsive services.
  - (b) Consider any inventories or surveys of currently available behavioral health services.
- (c) Consider available regional data related to the substance use treatment needs and the access to culturally specific and linguistically responsive services in communities in this state.
  - (d) Consider the needs of residents of this state for services, supports and treatment at all ages.
- (e) Consider data regarding the geographic location and rates of overdose incidents and deaths and the rates of crime committed by drug-dependent persons as defined in section 48 of this 2024 Act.
- [(5)] (4) The [council] **commission** shall require any government entity that applies for a grant to specify in the application details regarding subgrantees and how the government entity will fund culturally specific organizations and culturally specific services. A government entity receiving a grant must make an explicit commitment not to supplant or decrease any existing funding used to provide services funded by the grant.
- [(6)] (5) In determining grants and funding to be awarded, the [council] commission may consult the comprehensive addiction, prevention, treatment and recovery plan established by the [Alcohol and Drug Policy Commission] commission under ORS 430.223 and the advice of any other group, agency, organization or individual that desires to provide advice to the [council] commission that is consistent with the terms of this section.
- [(7)] (6) Services provided by grantees, including services provided by a Behavioral Health Resource Network, shall be free of charge to the clients receiving the services. Grantees 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 [council or the authority] commission under this section may be used for copayments, deductibles or other out-of-pocket costs incurred by the client for the services.
- [(8)] (7) Subsection [(7)] (6) 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).

**SECTION 52.** ORS 430.390 is amended to read:

430.390. (1)[(a) The Oregon Health Authority] **The Alcohol and Drug Policy Commission** shall adopt rules that establish a grant application process, a process to appeal the denial of a grant 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) 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 [council] **commission** shall have and retain the authority to oversee the Behavioral Health Resource Networks established under ORS 430.389 and approve the grants and funding under ORS 430.389.
- (3) The [authority] **commission** 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.
- (4)(a) The [authority, in consultation with the council,] **commission** may enter into interagency agreements to ensure proper distribution of funds for the grants required by ORS 430.389.
- (b) The [authority] **commission** 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] **commission** shall post to the [authority's] **commission'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.
- [(5) The authority shall provide requested technical, logistical and other support to the council to assist the council with the council's duties and obligations.]
- [(6)] (5) The Department of Justice shall provide legal services to the [council] commission if requested to assist the [council] commission in carrying out the [council's] commission's duties and obligations.

## SECTION 53. ORS 430.391 is amended to read:

- 430.391. (1) The [Oregon Health Authority] Alcohol and Drug Policy Commission shall establish a Behavioral Health Resource Network statewide telephone hotline to provide screenings described in ORS 430.389 (2)(e)(A) to any caller who is a resident of this state.
- (2) The telephone hotline shall be staffed 24 hours a day, seven days a week, every calendar day of the year. Following a screening, at the request of a caller, the telephone hotline shall promptly provide the verification set forth in ORS 430.389 (2)(i).

## SECTION 54. ORS 430.392 is amended to read:

430.392. (1) The Division of Audits of the office of the Secretary of State shall conduct performance audits and financial reviews as provided in this section, regarding the uses of the Drug Treatment and Recovery Services Fund and the effectiveness of the fund in achieving the purposes of the fund and the policy objectives of ORS 430.383. Recipients of grants or funds under ORS 430.389 shall keep accurate books, records and accounts that are subject to inspection and audit by the division.

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- (2) The division shall monitor and report on the progress in implementing any recommendations made in the audit or financial review. The division shall follow up on recommendations as part of recurring audit work or as an activity separate from other audit activity. When following up on recommendations, the division may request from the appropriate agency evidence of implementation.
- (3) The audits set forth in this section shall be conducted pursuant to the provisions of ORS chapter 297, except to the extent any provision of ORS chapter 297 conflicts with any provision of ORS [293.665 and 305.231 and] 430.383 to 430.390 and 430.394, in which case the provisions of ORS [293.665 and 305.231 and] 430.383 to 430.390 and 430.394 shall control.
  - (4) No later than December 31, 2023, the division shall perform a:
- (a) Real-time audit, as prescribed by the division, which shall include an assessment of [the relationship between the Oversight and Accountability Council and the Oregon Health Authority,] the relationship between the [council] Alcohol and Drug Policy Commission and recipients of grants or funding and the structural integrity of ORS [293.665 and 305.231 and] 430.383 to 430.390 and 430.394, including but not limited to assessing:
- (A) Whether the organizational structure of the [council] **commission** contains conflicts or problems.
  - (B) Whether the rules adopted by the [council] **commission** are clear and functioning properly.
  - (C) Whether the [council] **commission** has sufficient authority and independence to achieve the [council's] **commission's** mission.
  - (D) Whether the [authority] **commission** is fulfilling the [authority's] **commission's** duties under ORS 430.384, 430.387, 430.390 and 430.391.
    - (E) Whether there are conflicts of interest in the process of awarding grants or funding.
  - (F) Whether there are opportunities to expand collaboration between the [council] commission and state agencies.
    - (G) Whether barriers exist in data collection and evaluation mechanisms.
- (H) Who is providing the data.

- (I) Other areas identified by the division.
  - (b) Financial review, which shall include an assessment of the following:
- 29 (A) Whether grants and funding are going to organizations that are culturally responsive and linguistically specific, including an assessment of:
  - (i) The barriers that exist for grant and funding applicants who are Black, Indigenous or People of Color.
    - (ii) The applicants that were denied and why.
    - (iii) Whether grants and other funding are being disbursed based on the priorities specified in ORS 430.389.
    - (iv) For government entities receiving grants or funding under ORS 430.389, the government entities' subgrantees and whether the governmental entity supplanted or decreased any local funding dedicated to the same services after receiving grants or funds under ORS 430.389.
    - (v) What proportion of grants or funds received by grantees and others under ORS 430.389, was devoted to administrative costs.
      - (B) The organizations and agencies receiving grants or funding under ORS 430.389 and:
  - (i) Which of the organizations and agencies are Behavioral Health Resource Network entities.
    - (ii) The amount each organization and agency received.
  - (iii) The total number of organizations and agencies that applied for grants or funding.
- 45 (iv) The amount of moneys from the fund that were used to administer the programs selected

by the [council] **commission**.

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- (v) The moneys that remained in the Drug Treatment and Recovery Services Fund after grants and funding were disbursed.
- (5) No later than December 31, 2025, the division shall conduct a performance audit, which must include an assessment of the following:
- (a) All relevant data regarding the implementation of ORS [153.062 and] 430.391[, including demographic information on individuals who receive citations subject to ORS 153.062 and 430.391 and whether the citations resulted in connecting the individuals with treatment].
  - (b) The functioning of:
  - [(A) Law enforcement and the courts in relation to Class E violation citations;]
  - [(B)] (A) The telephone hotline operated by the [authority] commission;
  - [(C)] (B) Entities providing verification of screenings under ORS 430.389; and
- [(D)] (C) The grants and funding systems between the [council, the authority] commission and recipients of grants or funding, including by gathering information about which entities are receiving grants or funding and what the grants or funding are used for, the process of applying for grants or funding and whether the process is conducive to obtaining qualified applicants for grants or funding who are from communities of color.
- (c) Disparities shown by demographic data and whether the citation data reveals a disproportionate use of citations in communities most impacted by the war on drugs.
- (d) Whether ORS [153.062,] 430.389 and 430.391 reduce the involvement in the criminal justice system of individuals with substance use.
- (e) Training opportunities provided to law enforcement officials regarding services that are available and how to connect individuals to the services.
  - (f) The efficacy of issuing citations as a method of connecting individuals to services.
- (g) The role of the implementation of ORS 430.383 to 430.390 and 430.394 in reducing overdose rates.
- (h) Outcomes for individuals receiving treatment and other social services under ORS 430.389, including, but not limited to, the following:
- 29 (A) Whether access to care increased since December 3, 2020, and, if data is available, whether, 30 since December 3, 2020:
  - (i) The number of drug and alcohol treatment service providers increased.
  - (ii) The number of culturally specific providers increased.
  - (iii) Access to harm reduction services has increased.
  - (iv) More individuals are accessing treatment than they were before December 3, 2020.
  - (v) Access to housing for individuals with substance use has increased.
  - (B) Data on Behavioral Health Resource Networks and recipients of grants and funding under ORS 430.389, including:
  - (i) The outcomes of each network or recipient, including but not limited to the number of clients with substance use receiving services from each network or recipient, the average duration of client participation and client outcomes.
  - (ii) The number of individuals seeking assistance from the network or recipients who are denied or not connected to substance use treatment and other services, and the reasons for the denials.
  - (iii) The average time it takes for clients to access services and fulfill their individual intervention plan and the reason for any delays, such as waiting lists at referred services.
- 45 (iv) Whether average times to access services to which clients are referred, such as housing or

- medically assisted treatment, have decreased over time since December 3, 2020.
  - (v) Demographic data on clients served by Behavioral Health Resource Networks, including self-reported demographic data on race, ethnicity, gender and age.
    - (i) Each recipient of a grant or funding.

- (j) Other areas identified by the division for ascertaining best practices for overdose prevention.
- (6) The division shall conduct periodic performance audits and financial reviews pursuant to the division's annual audit plan and taking into consideration the risks of the program.
- **SECTION 55.** ORS 430.392, as amended by section 11, chapter 248, Oregon Laws 2023, is amended to read:
- 430.392. (1) The Division of Audits of the office of the Secretary of State shall conduct performance audits and financial reviews as provided in this section, regarding the uses of the Drug Treatment and Recovery Services Fund and the effectiveness of the fund in achieving the purposes of the fund and the policy objectives of ORS 430.383. Recipients of grants or funds under ORS 430.389 shall keep accurate books, records and accounts that are subject to inspection and audit by the division.
- (2) The division shall monitor and report on the progress in implementing any recommendations made in the audit or financial review. The division shall follow up on recommendations as part of recurring audit work or as an activity separate from other audit activity. When following up on recommendations, the division may request from the appropriate agency evidence of implementation.
- (3) The audits set forth in this section shall be conducted pursuant to the provisions of ORS chapter 297, except to the extent any provision of ORS chapter 297 conflicts with any provision of ORS [293.665 and 305.231 and] 430.383 to 430.390 and 430.394, in which case the provisions of ORS [293.665 and 305.231 and] 430.383 to 430.390 and 430.394 shall control.
- (4) The division shall conduct periodic performance audits and financial reviews pursuant to the division's annual audit plan and taking into consideration the risks of the program.

SECTION 56. 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] Alcohol and Drug Policy Commission 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 57. ORS 430.394 is amended to read:

430.394. If approved by the [Oversight and Accountability Council] Alcohol and Drug Policy Commission, the Oregon Health Authority may implement an education campaign to inform the public about the availability of Behavioral Health Resource Networks, the statewide hotline described in ORS 430.391 and any other information the authority believes would benefit the public in accessing behavioral health services.

- SECTION 58. (1) The Alcohol and Drug Policy Commission 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, 2025, the commission 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 commission.
  - (3) The commission shall provide a copy of the report described in subsection (2) of this

#### 1 section to each county.

- **SECTION 59.** ORS 244.050 is amended to read:
- 3 244.050. (1) On or before April 15 of each year the following persons shall file with the Oregon
- 4 Government Ethics Commission a verified statement of economic interest as required under this
- 5 chapter:

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- 6 (a) The Governor, Secretary of State, State Treasurer, Attorney General, Commissioner of the 7 Bureau of Labor and Industries, district attorneys and members of the Legislative Assembly.
- 8 (b) Any judicial officer, including justices of the peace and municipal judges, except any pro tem 9 judicial officer who does not otherwise serve as a judicial officer.
  - (c) Any candidate for a public office designated in paragraph (a) or (b) of this subsection.
- 11 (d) The Deputy Attorney General.
- 12 (e) The Deputy Secretary of State.
- 13 (f) The Legislative Administrator, the Legislative Counsel, the Legislative Fiscal Officer, the 14 Legislative Policy and Research Director, the Secretary of the Senate, the Chief Clerk of the House 15 of Representatives and the Legislative Equity Officer.
- 16 (g) The president and vice presidents, or their administrative equivalents, in each public uni-17 versity listed in ORS 352.002.
- 18 (h) The following state officers:
- 19 (A) Adjutant General.
- 20 (B) Director of Agriculture.
- 21 (C) Manager of State Accident Insurance Fund Corporation.
- 22 (D) Water Resources Director.
- 23 (E) Director of the Department of Environmental Quality.
- 24 (F) Director of the Oregon Department of Administrative Services.
- 25 (G) State Fish and Wildlife Director.
- 26 (H) State Forester.
- 27 (I) State Geologist.
- 28 (J) Director of Human Services.
- 29 (K) Director of the Department of Consumer and Business Services.
- 30 (L) Director of the Department of State Lands.
- 31 (M) State Librarian.
- 32 (N) Administrator of the Oregon Liquor and Cannabis Commission.
- 33 (O) Superintendent of State Police.
- 34 (P) Director of the Public Employees Retirement System.
- 35 (Q) Director of Department of Revenue.
- 36 (R) Director of Transportation.
- 37 (S) Public Utility Commissioner.
- 38 (T) Director of Veterans' Affairs.
- 39 (U) Executive director of Oregon Government Ethics Commission.
- 40 (V) Director of the State Department of Energy.
- 41 (W) Director and each assistant director of the Oregon State Lottery.
- 42 (X) Director of the Department of Corrections.
- 43 (Y) Director of the Oregon Department of Aviation.
- 44 (Z) Executive director of the Oregon Criminal Justice Commission.
- 45 (AA) Director of the Oregon Business Development Department.

- 1 (BB) Director of the Oregon Department of Emergency Management.
- 2 (CC) Director of the Employment Department.
- 3 (DD) State Fire Marshal.
- 4 (EE) Chief of staff for the Governor.
- 5 (FF) Director of the Housing and Community Services Department.
- 6 (GG) State Court Administrator.
- 7 (HH) Director of the Department of Land Conservation and Development.
- 8 (II) Board chairperson of the Land Use Board of Appeals.
- 9 (JJ) State Marine Director.
- 10 (KK) Executive director of the Oregon Racing Commission.
- 11 (LL) State Parks and Recreation Director.
- 12 (MM) Executive director of the Oregon Public Defense Commission.
- 13 (NN) Chairperson of the Public Employees' Benefit Board.
- 14 (OO) Director of the Department of Public Safety Standards and Training.
- 15 (PP) Executive director of the Higher Education Coordinating Commission.
- 16 (QQ) Executive director of the Oregon Watershed Enhancement Board.
- 17 (RR) Director of the Oregon Youth Authority.
- 18 (SS) Director of the Oregon Health Authority.
- 19 (TT) Deputy Superintendent of Public Instruction.
- 20 (i) The First Partner, the legal counsel, the deputy legal counsel and all policy advisors within the Governor's office.
- 22 (j) Every elected city or county official.

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- 23 (k) Every member of a city or county planning, zoning or development commission.
  - (L) The chief executive officer of a city or county who performs the duties of manager or principal administrator of the city or county.
    - (m) Members of local government boundary commissions formed under ORS 199.410 to 199.519.
- 27 (n) Every member of a governing body of a metropolitan service district and the auditor and executive officer thereof.
  - (o) Each member of the board of directors of the State Accident Insurance Fund Corporation.
  - (p) The chief administrative officer and the financial officer of each common and union high school district, education service district and community college district.
- 32 (q) Every member of the following state boards, commissions and councils:
- 33 (A) Governing board of the State Department of Geology and Mineral Industries.
- 34 (B) Oregon Business Development Commission.
- 35 (C) State Board of Education.
- 36 (D) Environmental Quality Commission.
- 37 (E) Fish and Wildlife Commission of the State of Oregon.
- 38 (F) State Board of Forestry.
- 39 (G) Oregon Government Ethics Commission.
- 40 (H) Oregon Health Policy Board.
- 41 (I) Oregon Investment Council.
- 42 (J) Land Conservation and Development Commission.
- 43 (K) Oregon Liquor and Cannabis Commission.
- 44 (L) Oregon Short Term Fund Board.
- 45 (M) State Marine Board

- 1 (N) Mass transit district boards.
- (O) Energy Facility Siting Council.
- 3 (P) Board of Commissioners of the Port of Portland.
- 4 (Q) Employment Relations Board.
- 5 (R) Public Employees Retirement Board.
- 6 (S) Oregon Racing Commission.
- 7 (T) Oregon Transportation Commission.
- 8 (U) Water Resources Commission.
- 9 (V) Workers' Compensation Board.
- 10 (W) Oregon Facilities Authority.
- 11 (X) Oregon State Lottery Commission.
- 12 (Y) Pacific Northwest Electric Power and Conservation Planning Council.
- 13 (Z) Columbia River Gorge Commission.
- 14 (AA) Oregon Health and Science University Board of Directors.
- 15 (BB) Capitol Planning Commission.
- 16 (CC) Higher Education Coordinating Commission.
- 17 (DD) Oregon Growth Board.
- 18 (EE) Early Learning Council.
- 19 [(FF) The Oversight and Accountability Council.]
- 20 (r) The following officers of the State Treasurer:
- 21 (A) Deputy State Treasurer.

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- 22 (B) Chief of staff for the office of the State Treasurer.
- 23 (C) Director of the Investment Division.
- 24 (s) Every member of the board of commissioners of a port governed by ORS 777.005 to 777.725 25 or 777.915 to 777.953.
  - (t) Every member of the board of directors of an authority created under ORS 441.525 to 441.595.
- 27 (u) Every member of a governing board of a public university listed in ORS 352.002.
- 28 (v) Every member of the district school board of a common school district or union high school 29 district.
  - (w) Every member of the board of directors of an authority created under ORS 465.600 to 465.621.
    - (2) By April 15 next after the date an appointment takes effect, every appointed public official on a board or commission listed in subsection (1) of this section shall file with the Oregon Government 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 60.** ORS 244.050, as amended by section 12, chapter 220, Oregon Laws 2023, and section 48, chapter 281, Oregon Laws 2023, is amended to read:
- 8 244.050. (1) On or before April 15 of each year the following persons shall file with the Oregon 9 Government Ethics Commission a verified statement of economic interest as required under this 10 chapter:
  - (a) The Governor, Secretary of State, State Treasurer, Attorney General, Commissioner of the Bureau of Labor and Industries, district attorneys and members of the Legislative Assembly.
    - (b) Any judicial officer, including justices of the peace and municipal judges, except any pro tem judicial officer who does not otherwise serve as a judicial officer.
      - (c) Any candidate for a public office designated in paragraph (a) or (b) of this subsection.
- 16 (d) The Deputy Attorney General.
- 17 (e) The Deputy Secretary of State.
  - (f) The Legislative Administrator, the Legislative Counsel, the Legislative Fiscal Officer, the Legislative Policy and Research Director, the Secretary of the Senate, the Chief Clerk of the House of Representatives and the Legislative Equity Officer.
- 21 (g) The president and vice presidents, or their administrative equivalents, in each public uni-22 versity listed in ORS 352.002.
- 23 (h) The following state officers:
- 24 (A) Adjutant General.

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- 25 (B) Director of Agriculture.
- 26 (C) Manager of State Accident Insurance Fund Corporation.
- 27 (D) Water Resources Director.
- 28 (E) Director of the Department of Environmental Quality.
- 29 (F) Director of the Oregon Department of Administrative Services.
- 30 (G) State Fish and Wildlife Director.
- 31 (H) State Forester.
- 32 (I) State Geologist.
- 33 (J) Director of Human Services.
- 34 (K) Director of the Department of Consumer and Business Services.
- 35 (L) Director of the Department of State Lands.
- 36 (M) State Librarian.
- 37 (N) Administrator of the Oregon Liquor and Cannabis Commission.
- 38 (O) Superintendent of State Police.
- 39 (P) Director of the Public Employees Retirement System.
- 40 (Q) Director of Department of Revenue.
- 41 (R) Director of Transportation.
- 42 (S) Public Utility Commissioner.
- 43 (T) Director of Veterans' Affairs.
- 44 (U) Executive director of Oregon Government Ethics Commission.
- 45 (V) Director of the State Department of Energy.

- 1 (W) Director and each assistant director of the Oregon State Lottery.
- 2 (X) Director of the Department of Corrections.
- 3 (Y) Director of the Oregon Department of Aviation.
- 4 (Z) Executive director of the Oregon Criminal Justice Commission.
- 5 (AA) Director of the Oregon Business Development Department.
- 6 (BB) Director of the Oregon Department of Emergency Management.
- 7 (CC) Director of the Employment Department.
- 8 (DD) State Fire Marshal.
- 9 (EE) Chief of staff for the Governor.
- 10 (FF) Director of the Housing and Community Services Department.
- 11 (GG) State Court Administrator.
- 12 (HH) Director of the Department of Land Conservation and Development.
- 13 (II) Board chairperson of the Land Use Board of Appeals.
- 14 (JJ) State Marine Director.
- 15 (KK) Executive director of the Oregon Racing Commission.
- 16 (LL) State Parks and Recreation Director.
- 17 (MM) Executive director of the Oregon Public Defense Commission.
- 18 (NN) Chairperson of the Public Employees' Benefit Board.
- 19 (OO) Director of the Department of Public Safety Standards and Training.
- 20 (PP) Executive director of the Higher Education Coordinating Commission.
- 21 (QQ) Executive director of the Oregon Watershed Enhancement Board.
- 22 (RR) Director of the Oregon Youth Authority.
- 23 (SS) Director of the Oregon Health Authority.
- 24 (TT) Deputy Superintendent of Public Instruction.
- 25 (i) The First Partner, the legal counsel, the deputy legal counsel and all policy advisors within 26 the Governor's office.
- 27 (j) Every elected city or county official.

- (k) Every member of a city or county planning, zoning or development commission.
- 29 (L) The chief executive officer of a city or county who performs the duties of manager or prin-30 cipal administrator of the city or county.
- 31 (m) Members of local government boundary commissions formed under ORS 199.410 to 199.519.
- 32 (n) Every member of a governing body of a metropolitan service district and the auditor and 33 executive officer thereof.
- 34 (o) Each member of the board of directors of the State Accident Insurance Fund Corporation.
- 35 (p) The chief administrative officer and the financial officer of each common and union high 36 school district, education service district and community college district.
  - (q) Every member of the following state boards, commissions and councils:
- 38 (A) Governing board of the State Department of Geology and Mineral Industries.
- 39 (B) Oregon Business Development Commission.
- 40 (C) State Board of Education.
- (D) Environmental Quality Commission.
- 42 (E) Fish and Wildlife Commission of the State of Oregon.
- 43 (F) State Board of Forestry.
- 44 (G) Oregon Government Ethics Commission.
- 45 (H) Oregon Health Policy Board.

- 1 (I) Oregon Investment Council.
- 2 (J) Land Conservation and Development Commission.
- 3 (K) Oregon Liquor and Cannabis Commission.
- 4 (L) Oregon Short Term Fund Board.
- 5 (M) State Marine Board.
- 6 (N) Mass transit district boards.
- 7 (O) Energy Facility Siting Council.
- 8 (P) Board of Commissioners of the Port of Portland.
- 9 (Q) Employment Relations Board.
- 10 (R) Public Employees Retirement Board.
- 11 (S) Oregon Racing Commission.
- 12 (T) Oregon Transportation Commission.
- 13 (U) Water Resources Commission.
- 14 (V) Workers' Compensation Board.
- 15 (W) Oregon Facilities Authority.
- 16 (X) Oregon State Lottery Commission.
- 17 (Y) Pacific Northwest Electric Power and Conservation Planning Council.
- 18 (Z) Columbia River Gorge Commission.
- 19 (AA) Oregon Health and Science University Board of Directors.
- 20 (BB) Capitol Planning Commission.
- 21 (CC) Higher Education Coordinating Commission.
- 22 (DD) Oregon Growth Board.
- 23 (EE) Early Learning Council.
- 24 [(FF) The Oversight and Accountability Council.]
- 25 (r) The following officers of the State Treasurer:
- 26 (A) Deputy State Treasurer.

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- 27 (B) Chief of staff for the office of the State Treasurer.
- 28 (C) Director of the Investment Division.
- 29 (s) Every member of the board of commissioners of a port governed by ORS 777.005 to 777.725 or 777.915 to 777.953.
- 31 (t) Every member of the board of directors of an authority created under ORS 441.525 to 441.595.
  - (u) Every member of a governing board of a public university listed in ORS 352.002.
- 33 (v) Every member of the district school board of a common school district or union high school 34 district.
- 35 (w) Every member of the board of directors of an authority created under ORS 465.600 to 36 465.621.
- 37 (2) By April 15 next after the date an appointment takes effect, every appointed public official 38 on a board or commission listed in subsection (1) of this section shall file with the Oregon Govern-39 ment Ethics Commission a statement of economic interest as required under ORS 244.060, 244.070 40 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 who will appear on a primary election ballot shall file with the commission a statement of economic interest as required under ORS 244.060, 244.070 and 244.090.
- 44 (4) Not later than the 40th day before the date of the statewide general election, each candidate 45 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 61.** ORS 316.502 is amended to read:

- 316.502. (1) The net revenue from the tax imposed by this chapter, after deducting refunds and amounts described in ORS 285B.630[,] **and** 285C.635 [and 305.231], shall be paid over to the State Treasurer and held in the General Fund as miscellaneous receipts available generally to meet any expense or obligation of the State of Oregon lawfully incurred.
- (2) A working balance of unreceipted revenue from the tax imposed by this chapter may be retained for the payment of refunds, but such working balance shall not at the close of any fiscal year exceed the sum of \$1 million.
  - (3) Moneys are continuously appropriated to the Department of Revenue to make:
- (a) The refunds authorized under subsection (2) of this section; and
- 21 (b) The refund payments in excess of tax liability authorized under ORS 315.133, 315.174, 315.262, 315.264, 315.266, 315.273, 315.519 and 316.090 and section 3, chapter 589, Oregon Laws 2021.

## **SECTION 62.** 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.
- 29 (B) The Oregon Educators Benefit Board.
- 30 (C) Trustees of the Public Employees Retirement System.
- 31 (D) A city government.

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- 32 (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.
- 44 (C) Continuously review and report to the Oregon Health Policy Board on the committee's 45 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;
- 21 (C) An individual representing the Public Employees' Benefit Board;
- 22 (D) An individual representing the Department of Consumer and Business Services;
  - (E) Two health care providers;

- 24 (F) One individual representing hospitals;
- 25 (G) One individual representing insurers, large employers or multiple employer welfare ar-26 rangements;
  - (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;

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- 1 (H) A member [of the Oversight and Accountability Council, described in ORS 430.389,] who re-2 presents adults with addictions or co-occurring conditions;
- (I) One member representing a system of care, as defined in ORS 418.976;
- 4 (J) One consumer representative;

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- (K) One representative of a tribal government;
- 6 (L) One representative of an organization that advocates on behalf of individuals with intellec-7 tual or developmental disabilities;
  - (M) One representative of providers of behavioral health services;
- 9 (N) The director of the division of the authority responsible for behavioral health services, as 10 a nonvoting member;
- 11 (O) The Director of the Alcohol and Drug Policy Commission appointed under ORS 430.220, as 12 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
- 15 (R) Any other member that the director deems appropriate.
- 16 (b) The board may modify the membership of the committee as needed.
- 17 (c) The division of the authority responsible for behavioral health services and the director of 18 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;
- 26 (B) Reduce hospitalizations;
- 27 (C) Reduce overdoses;
  - (D) Improve the integration of physical and behavioral health care; and
- 29 (E) Ensure individuals are supported in the least restrictive environment that meets their be-30 havioral 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 63.** Section 6, chapter 63, Oregon Laws 2022, is amended to read:
  - **Sec. 6.** Opioid Settlement Prevention, Treatment and Recovery Board. (1) The Opioid Settlement Prevention, Treatment and Recovery Board is created in the Oregon Health Authority for the purpose of determining the allocation of funding from the Opioid Settlement Prevention, Treatment and Recovery Fund established in section 5 of this 2022 Act. The board consists of:
    - (a) The following members appointed by the Governor:
    - (A) A policy advisor to the Governor;
    - (B) A representative of the Department of Justice;
- 44 (C) A representative of the Oregon Health Authority; and
- 45 (D) A representative of the Department of Human Services;

- 1 (b) The Director of the Alcohol and Drug Policy Commission or the director's designee;
  - [(c) The chairperson of the Oversight and Accountability Council established in ORS 430.388 or the chairperson's designee;]
- 4 [(d)] (c) The following members appointed by the Governor from a list of candidates provided 5 by the Association of Oregon Counties and the League of Oregon Cities or the successor organiza-6 tions to the Association of Oregon Counties and the League of Oregon Cities:
  - (A) An individual representing Clackamas, Washington or Multnomah County;
- 8 (B) An individual representing Clatsop, Columbia, Coos, Curry, Jackson, Josephine, Lane or 9 Yamhill County;
  - (C) An individual representing the City of Portland;

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- 11 (D) An individual representing a city with a population above 10,000 residents as of July 21, 2021;
- 13 (E) An individual representing a city with a population at or below 10,000 residents as of July 21, 2021; and
- 15 (F) A representative of the Oregon Coalition of Local Health Officials or its successor organ-16 ization;
  - [(e)] (d) The following members appointed by the Governor from a list of candidates provided by the members described in paragraphs (a) to (d) of this subsection:
    - (A) A representative of a community mental health program;
    - (B) An individual who has experienced a substance use disorder or a representative of an organization that advocates on behalf of individuals with substance use disorders; and
      - (C) An individual representing law enforcement, first responders or jail commanders or wardens;
    - [(f)] (e) A member of the House of Representatives appointed by the Speaker of the House of Representatives, who shall be a nonvoting member of the board;
    - [(g)] (f) A member of the Senate appointed by the President of the Senate, who shall be a non-voting member of the board; and
    - [(h)] (g) The State Court Administrator or the administrator's designee, who shall be a nonvoting member of the board.
    - (2) The Governor shall select from the members described in subsection (1)(a)[,] and (b) [and (c)] of this section one cochairperson to represent state entities, and the members described in subsection [(1)(d)] (1)(c) of this section shall select from one of their members a cochairperson to represent cities or counties.
    - (3) The term of each member of the board who is not an ex officio member is four years, but a member serves at the pleasure of the appointing authority. Before the expiration of a member's term, the appointing authority shall appoint a successor whose term begins on January 1 next following. A member is eligible for reappointment. If there is a vacancy for any cause, the appointing authority shall make an appointment to become immediately effective for the unexpired term.
    - (4) Decision-making by the board shall be based on consensus and supported by at least a majority of the members. The board shall document all objections to board decisions.
    - (5) The board shall conduct at least four public meetings in accordance with ORS 192.610 to 192.690 [series became 192.610 to 192.705], which shall be publicized to facilitate attendance at the meetings and during which the board shall receive testimony and input from the community. The board shall also establish a process for the public to provide written comments and proposals at each meeting of the board.
      - (6) In determining the allocation of moneys from the Opioid Settlement Prevention, Treatment

and Recovery Fund:

- (a) No more than five percent of the moneys may be spent on administering the board and the fund.
- (b) A portion of the moneys shall be allocated toward a unified and evidence-based state system for collecting, analyzing and publishing data about the availability and efficacy of substance use prevention, treatment and recovery services statewide.
- (c) Moneys remaining after allocations in accordance with paragraphs (a) and (b) of this subsection shall be allocated for funding statewide and regional programs identified in the Distributor Settlement Agreement, the Janssen Settlement Agreement and any other judgment or settlement described in section 5 (1)(c), [of this 2022 Act] chapter 63, Oregon Laws 2022, including but not limited to:
- (A) Programs that use evidence-based or evidence-informed strategies to treat opioid use disorders and any co-occurring substance use disorders or mental health conditions;
- (B) Programs that use evidence-based or evidence-informed strategies to support individuals in recovery from opioid use disorders and any co-occurring substance use disorders or mental health conditions;
- (C) Programs that use evidence-based or evidence-informed strategies to provide connections to care for individuals who have or are at risk of developing opioid use disorders and any co-occurring substance use disorders or mental health conditions;
- (D) Programs that use evidence-based or evidence-informed strategies to address the needs of individuals with opioid use disorders and any co-occurring substance use disorders or mental health conditions and who are involved in, at risk of becoming involved in, or in transition from, the criminal justice system;
- (E) Programs that use evidence-based or evidence-informed strategies to address the needs of pregnant or parenting women with opioid use disorders and any co-occurring substance use disorders or mental health conditions, and the needs of their families, including babies with neonatal abstinence syndrome;
- (F) Programs that use evidence-based or evidence-informed strategies to support efforts to prevent over-prescribing of opioids and ensure appropriate prescribing and dispensing of opioids;
- (G) Programs that use evidence-based or evidence-informed strategies to support efforts to discourage or prevent misuse of opioids;
- (H) Programs that use evidence-based or evidence-informed strategies to support efforts to prevent or reduce overdose deaths or other opioid-related harms;
- (I) Programs to educate law enforcement or other first responders regarding appropriate practices 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 addiction, prevention, treatment and recovery 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;

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- 1 (C) Evidence-based and evidence-informed strategies and best practices;
  - (D) Input the board receives from the public;
- 3 (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 64.** 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 further 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 purposes 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.
  - <u>SECTION 65.</u> ORS 293.665, 305.231, 430.388 and section 6, chapter 248, Oregon Laws 2023, are repealed.

### LOTTERY BONDS FOR TREATMENT FACILITY INFRASTRUCTURE

- SECTION 66. (1) For the biennium ending June 30, 2025, at the request of the Oregon Department of Administrative Services, after the department consults with a recipient local government, the State Treasurer is authorized to issue lottery bonds pursuant to ORS 286A.560 to 286A.585 in an amount that produces \$\_\_\_\_\_\_\_ in net proceeds for the purposes described in subsection (2) of this section, plus an additional amount estimated by the State Treasurer to be necessary to pay bond-related costs.
- (2) Net proceeds of lottery bonds issued under this section must be transferred to the department for deposit in the Oregon Department of Administrative Services Economic Development Distributions Fund established under ORS 461.553, for distribution to a recipient local government for purchase or renovation of physical infrastructure for substance abuse treatment and recovery.
  - (3) The Legislative Assembly finds that the use of lottery bond proceeds will create jobs,

further	${\bf economic}$	development,	finance	public	education	or	restore	and	protect	parks,
beaches	, watershed	ds and native f	ish and	wildlife,	and is autl	ori	zed base	d on	the findi	ng that
reducing substance abuse will enhance the economic viability of the state through increased										
workforce, job creation and improved quality of life for the community.										

(4) As used in this section, "local government" has the meaning given that term in ORS 174.116.

#### LEGISLATIVE FINDINGS CONCERNING SPECIALTY COURT FUNDING

- SECTION 66a. The Legislative Assembly finds and declares that:
- (1) Specialty courts, particularly those that serve populations with substance abuse disorders, have been shown to increase involvement in treatment, improve treatment outcomes, foster accountability and reduce recidivism; and
- (2) The grant program for specialty courts established and administered by the Oregon Criminal Justice Commission must be adequately funded to ensure the success of the specialty courts operating within this state, and to allow the establishment of new specialty courts wherever they are needed.

## APPLICABILITY

SECTION 67. Sections 24 to 29, 32 to 34, 42 and 43 of this 2024 Act, the amendments to ORS 51.050, 137.300, 153.012, 153.018, 153.019, 153.021, 153.064, 153.992, 161.570, 221.339, 419C.370, 423.478, 475.005, 475.235, 475.752, 475.814, 475.824, 475.834, 475.854, 475.874, 475.884, 475.894, 475.916, 475.925 and 475.935 by sections 1 to 20, 23, 30, 31, 35, 38 and 41 of this 2024 Act and the repeal of ORS 153.043, 153.062, 419C.460 and 475.237 by section 22 of this 2024 Act apply to conduct occurring on or after the effective date of this 2024 Act.

### **CAPTIONS**

SECTION 68. The unit and section captions used in this 2024 Act are provided only for the convenience of the reader and do not become part of the statutory law of this state or express any legislative intent in the enactment of this 2024 Act.

#### EFFECTIVE DATE

SECTION 69. This 2024 Act takes effect on the 91st day after the date on which the 2024 regular session of the Eighty-second Legislative Assembly adjourns sine die.