

2025 Legislative Session Recap: Challenging Budgeting Year Creates Unique Legislative Environment

The 2025 Oregon Legislative Session officially adjourned on Friday, June 27th after a tumultuous six months, punctuated by some of the most significant budget woes the state has seen in nearly two decades, last minute pushes for significant policy packages, and ongoing federal uncertainty.

While negotiations on both a sizable transportation package and proposals for widespread wildfire funding came down to the final few days of the session, many policy proposals faced significant challenges as legislators grappled with how to navigate a difficult budgeting year amidst federal policy changes impacting nearly every sector in Oregon. Ultimately the legislature was able to secure funding for wildfire response, but were unable to pass a transportation package. As a result, the Governor has called a Special Session, focused on transportation, to convene on August 29.

The May 2025 revenue forecast was the first since the post-2008 financial crisis to show a negative forecast for the state, notwithstanding minor, pandemic-related dips in 2020. This created an incredibly challenging landscape for legislators faced with billions of dollars in funding requests, exacerbated by then-anticipated decreases in federal funding. Few bills that had a fiscal impact successfully advanced, outside of leadership's priority bills, and much of the attention of legislators was focused on how to mitigate the most significant impacts of budget cuts on Oregonians across the state.

Even with this incredibly challenging landscape, the Oregon Dental Association's advocacy team in Salem worked tirelessly on behalf of our members to both proactively advocate for dental legislation and to fight back against harmful bills that had the potential to significantly impact our members and their patients.

Defeating Harmful Legislation

One of the most important things our lobby team in Salem can do for our members in a session as challenging as this one is to push back against bad bills and amendments that have the potential to harm dentists and their patients. Below are just a few examples of some of the bad bills ODA stopped this legislative session:

- **Adding Dental to Noncompete Bans (Senate Bill 957)** – Senate Bill 957 would have banned noncompetes for licensees of the Oregon Medical Board. An amendment to the bill was introduced to extend the noncompete ban to apply to licensees of the

Oregon Board of Dentistry. The House Health Committee agreed not to move the dental amendment into the bill following advocacy by ODA's lobby team.

- **Corporate Practice of Medicine (Senate Bill 951)** – Senate Bill 951 restricts individuals who are not licensed medical providers from owning or controlling medical practices. ODA's lobby team led several conversations with legislators to ensure dental would not be included in this bill without additional conversations.
- **Exemptions for Dental Labs (HB 2594)** – ODA's lobby team led a discussion with stakeholders about a bad amendment that would have removed exemptions for dental, ensuring the amendment didn't advance
- **Statute of Ultimate Repose (SB 233)** – The Statute of Ultimate Repose (SOUR) is five years for medical malpractice in Oregon. This bill would have doubled the time limit to 10 years. ODA's lobby team organized a coalition opposed to the bill and, as a result, the amended result was extremely narrow and excludes dental.

Given the extraordinarily difficult circumstances and budgeting atmosphere this legislative session, the ODA's advocacy team prioritized defeating harmful bills while continuing to advocate for priority policies that would benefit dentists and their patients.

Below are summaries on some of the most relevant bills that ODA's lobby team proactively worked to move forward this legislative session.

Dentist and Dental Hygienist Compact (House Bill 2676)

One of ODA's priority bills this session was House Bill 2676, the Dentist and Dental Hygienist Compact, which would have helped address workforce issues in dental offices by increasing mobility and multistate practice for licensed dentists and dental hygienists.

The compact, which had already been approved by ten states including Washington, preserves state sovereignty as it relates to licensure and quality of patient care, while allowing licensed dentists and dental hygienists to practice in all states participating in the compact, rather than get an individual license in every state in which they want to practice.

The legislature introduced six licensure compact bills this session. Knowing the Governor Kotek had expressed concerns with licensure compacts, ODA's team worked hard to differentiate the dental compact from the others, ensuring that the Board of Dentistry remained neutral on the bill, and addressing legislator concerns. Unfortunately, all compact bills received a hearing on the same day, leading to significant confusion about the different proposals.

The House Behavioral Health and Health Care Committee Chair had intended to move all six compact bills to the Ways & Means Committee and let leadership decide which ones to move forward. However, following the news of a New York-based doctor facing action from Texas for providing reproductive healthcare via telehealth, the Chair decided to kill all compact bills ahead of the first chamber deadline, including the Dentist and Dental Hygienist Compact— despite the concept receiving no opposition from legislators.

Dental Insurance Reform (SB 532)

The ODA worked with legislators to introduce a dental insurance reform bill this session, which would have offered more reliability and predictability for patients and dentists by aligning dental insurance laws with medical insurance. SB 532 sought to reform three dental insurance issues: prompt pay, retroactive denials, and assignment of benefits.

Specifically, the bill would have limited the time frame within which an insurer may demand a refund on a claim they have paid, adjusting the timeline to 18 months to align with medical insurance. Second, it would have required insurers pay or deny claims no later than 30 days after the date on which the insurer receives a clean claim. Finally, it would have allowed patients to direct their insurance to send payments directly to their provider instead of paying the patient directly.

The bill received a very positive hearing in early April and saw no opposition from legislators. ODA helped prepare three members to testify in front of the committee in support of the bill and others to submit written testimony.

Unfortunately, some insurers expressed concerns with the proposal's prompt pay timeline requirements, and a [\\$500,000 fiscal impact statement](#) was attached to the bill, forcing it to move to the Ways & Means Committee. This last minute reroute and significant fiscal impact made the bill nearly impossible to move given the broader budgeting outlook this session.

Even though the bill passed out of the Senate Health Care policy Committee unanimously, the bill was unable to overcome the fiscal impact and died in the Ways & Means Committee. Due to the widespread support for the bill, ODA anticipates bringing this concept back to the legislature in future legislative sessions.

Dental Reimbursement Rates

The ODA recognizes the challenges that Oregon's low dental insurance rates have on dentists' ability to accept Medicaid patients. These low reimbursement rates often make it impossible for dentists to recoup costs of serving this patient base. House Bill 2597 would have required the Oregon Health Authority (OHA) and Coordinated Care Organizations (CCOs) to reimburse dental providers at a minimum of 59.8% of the average rate paid by insurers in Oregon.

The bill passed out of committee on April 8 with only one "no" vote, but due to the large fiscal impact statement of nearly \$90 million and the challenging budgeting environment this session, the ODA sought to shift this proposal to a budget note instead of an independent bill. Unsurprisingly given the fiscal impact of the proposal, the budget note failed to be included in one of the final budget bills this legislative session.

Dental Sealants (Senate Bill 597)

Senate Bill 597, a bill co-sponsored by ODA member Rep. Javadi and supported by the ODA, would have directed the Oregon Health Authority to establish a grant program to provide financial support to certified dental sealant programs that promote and engage in oral health care coordination activities. Dr. Noel Larsen submitted written testimony in support of the bill on behalf of the ODA. It passed out of the Senate Health Care Committee on March 27 but, given the proposal's budget implications, later died in the Ways and Means Committee.

Dental Care for Seniors (Senate Bill 3326)

Senate Bill 3326, a bill sponsored by Reps. Pham and Javadi, both dentists and members of the ODA, and supported by the ODA, would have required the Oregon Health Authority to study barriers accessing dental care for seniors. Dr. Caroline Zeller submitted written testimony in support of the bill on behalf of the ODA for the March 13 hearing. The bill passed unanimously out of the House Health Care Committee on April 8 but, given its fiscal impact, it later died in the Ways and Means Committee.

Indian Health Scholarships (Senate Bill 772)

Senate Bill 772 would have established the Indian Health Scholarship Program to provide free tuition and fees to qualifying Indian health profession students in exchange for the student's commitment to work at a tribal service site after graduation. Dr. Caroline Zeller submitted written testimony on behalf of the ODA in support of the bill, which passed out of the Senate Health Care Committee on April 8 and was then moved to the Ways and Means Committee due to its fiscal impact, where it failed to advance.

Oregon Wellness Program (Senate Bill 531)

Senate Bill 531 would have provided \$1.6 million in funding for the Oregon Wellness Program, which supports the well-being of health care professionals through counseling, education, and research. ODA Executive Director Barry Taylor, DMD, testified in support of the bill during its Feb. 11 hearing. The bill passed out of the Senate Health Care Committee on February 27 but succumbed to the challenging budget environment and failed to move forward.

Flavored Tobacco Ban (Senate Bill 702)

Senate Bill 702 would have banned the distribution, sale, attempt to sell, or offer to sell flavored tobacco products in Oregon. Dr. Elizabeth Tomczyk, ODA Member, from OHSU's School of Dentistry testified in support of the bill during a public hearing on March 4, alongside many others who spoke in support of the concept. The bill was later amended to limit the sale of flavored tobacco products to only OLCC-licensed locations, a significant reduction of where these products are currently available for sale. Unfortunately, the bill failed to advance out of the Finance and Revenue Committee.

Like many bills this session, some of ODA's policy priorities fell victim to budget cuts, but the ODA is confident that many of these policy priorities will find more success and are more likely to advance in future legislative sessions under a more hospitable budget environment.

Thank you to our advocacy team and the dozens of ODA members who engaged with the legislature this year by testifying in front of committees, meeting with legislators, submitting testimony in support or opposition of bills, and providing our advocacy team with guidance on policies that will most impact our members.