



**NOTICE OF PROPOSED RULEMAKING**  
INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 274  
DEPARTMENT OF VETERANS' AFFAIRS

**FILED**

11/30/2022 9:18 PM  
ARCHIVES DIVISION  
SECRETARY OF STATE

FILING CAPTION: Rural Veterans Healthcare Transportation Program

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 12/21/2022 5:00 PM

*The Agency requests public comment on whether other options should be considered for achieving the rule's substantive goals while reducing negative economic impact of the rule on business.*

*A public rulemaking hearing may be requested in writing by 10 or more people, or by a group with 10 or more members, within 21 days following the publication of the Notice of Proposed Rulemaking in the Oregon Bulletin or 28 days from the date the Notice was sent to people on the agency mailing list, whichever is later. If sufficient hearing requests are received, the notice of the date and time of the rulemaking hearing must be published in the Oregon Bulletin at least 14 days before the hearing.*

CONTACT: Jay DeFillipo  
971-388-9016  
jay.defillipo@odva.oregon.gov

700 Summer Street  
Salem, OR 97301

Filed By:  
Jay DeFillipo  
Rules Coordinator

**NEED FOR THE RULE(S)**

The Rural Veterans Healthcare Transportation Program is administered as part of an Interagency Agreement between ODOT and ODVA. These rules are needed to ensure mutual agency support and adherence to policy of this important program assisting our states veterans.

**DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE**

None

**STATEMENT IDENTIFYING HOW ADOPTION OF RULE(S) WILL AFFECT RACIAL EQUITY IN THIS STATE**

This rulemaking establishes a grant for all Veterans and has no impact to racial equality.

**FISCAL AND ECONOMIC IMPACT:**

None

**COST OF COMPLIANCE:**

*(1) Identify any state agencies, units of local government, and members of the public likely to be economically affected by the rule(s). (2) Effect on Small Businesses: (a) Estimate the number and type of small businesses subject to the rule(s); (b) Describe the expected reporting, recordkeeping and administrative activities and cost required to comply with the rule(s); (c) Estimate the cost of professional services, equipment supplies, labor and increased administration required to comply with the rule(s).*

None

**DESCRIBE HOW SMALL BUSINESSES WERE INVOLVED IN THE DEVELOPMENT OF THESE RULE(S):**

These rules have no impact to small business and therefore they were not involved in the development of these rules.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? NO IF NOT, WHY NOT?

These rules are established between ODOT and ODVA and a rules advisory committee was not necessary.

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RULES PROPOSED:

274-039-0010, 274-039-0015, 274-039-0020, 274-039-0025, 274-039-0030, 274-039-0035

ADOPT: 274-039-0010

RULE SUMMARY: ODVA is establishing this program in support of the Rural Veterans Healthcare Transportation Program.

CHANGES TO RULE:

274-039-0010

DEFINITIONS

The following definitions apply to rules in chapter 274 division 39:¶

(1) "Administration" means the essential activities aquired by a Recipient.¶

(2) "Advisory Committee" means a committee appointed by a Recipient to advise and assist the Recipient in carrying out the purposes of the Rural Veterans Healthcare Transportation Program¶

(3) "Coordinated" means working cooperatively with Providers and other individuals and agencies representing Veterans, to more effectively apply funding and other resources to meet common transportation needs. Coordinated actions may reduce duplication of service, reduce cost, increase service levels or make services more widely available to eligible individuals.¶

(4) "District" means a mass transit district organized under ORS 267.010 (Definitions for ORS 267.010 to 267.394) to 267.390 (Acceptance of funds from United States) or a transportation district organized under ORS 267.510 (Definitions for ORS 267.510 to 267.650) to 267.650 (Finance elections).¶

(5) "Indian Tribe" means a federally recognized Indian Tribe in Oregon that has members residing on a reservation or tribal trust lands in Oregon.¶

(6) "Program Administrator" means the Oregon Department of Veterans' Affairs or any government entity with whom the Department enters into an agreement to administer the RVHT program.¶

(7) "Project" means a Transportation Service, or any associated activity including, but not limited to, program administration, planning and needs assessment, training and research and that falls within the purposes of the RVHT program. A Project is eligible for a RVHT Grant if it will provide no-cost mental and physical health access transit services to veterans who reside in census tracts to which, as of July 3, 2019, the US Department of Agriculture assigned a primary Rural-Urban Commuting Area (RUCA) code of 4 through 10 or are recipients of Federal Highly Rural Veterans Transportation funding available in counties with a population density of less than seven people per square mile.¶

(8) "Provider" means a city, county, district, Indian Tribe, or any other public entity, that maintains, operates, or sponsors vehicles and facilities for Public Transportation Services for profit.¶

(9) "Recipient" means an entity receiving funding through the RVHT program. ¶

(10) "RVHT Funds" means Rural Veteran Healthcare Transportation funding received by Oregon Department of Veterans' Affairs (ODVA) for distribution to eligible agencies by ODVA, or its designee, for the purpose of program administration, for the purpose of financing and improving access to transportation programs and services for rural Veterans. ¶

(11) "RVHT Program" means a set of policies and procedures that guide the expenditure of Rural Veterans Healthcare Transportation program funding by the Program Administrator, or its designee, to benefit transportation services for Veterans.¶

(12) "Transportation Service" means a project that provides no-cost rides or improves access to rides for Veterans.¶

(13) "Veteran" has the meaning given that term in ORS 408.225.

Statutory/Other Authority: ORS 406.005, 406.050, 408.335

Statutes/Other Implemented: ORS 408.335, 391.800-391.830

ADOPT: 274-039-0015

RULE SUMMARY: ODVA is establishing this program in support of the Rural Veterans Healthcare Transportation Program.

CHANGES TO RULE:

274-039-0015

USE OF FUNDING

The RVHT funds are intended to provide a flexible, coordinated, reliable and continuing source of revenue in support of Transportation Services that provide transportation for Veterans pursuant to HB 2139 (2121).¶

(1) RVHT funding may be used for the following purposes:¶

(a) Maintenance of existing Transportation Services for Veterans;¶

(b) Expansion of such Transportation Services;¶

(c) Creation of new Transportation Services;¶

(d) Planning for, and development of, access to transportation for Veterans who are not currently served by transportation programs and services; and,¶

(e) RVHT funding may be used as matching funds for state and federal programs also providing transportation programs and services to Veterans.¶

(2) Use of RVHT funding:¶

(a) Projects using RVHT funding must comply with the requirements of USDOT Federal Transit Administration regulations, 49 CFR PART 37 TRANSPORTATION SERVICES FOR INDIVIDUALS WITH DISABILITIES

(Americans with Disabilities Act) section 37.3, as applicable to the specific Project and Provider; and,¶

(b) Projects financed in whole or part with RVHT funding must be coordinated with other transportation programs and services to the maximum extent feasible.¶

(3) Except in the case of a uniform budget reduction, RVHT funding may not be used to supplant other funding currently appropriated to Providers for transportation projects benefiting Veterans.

Statutory/Other Authority: ORS 406.005, 406.050, 408.335

Statutes/Other Implemented: ORS 408.335, 391.800-391.830

ADOPT: 274-039-0020

RULE SUMMARY: ODVA is establishing this program in support of the Rural Veterans Healthcare Transportation Program.

CHANGES TO RULE:

274-039-0020

RECIPIENT ELIGIBILITY

(1) Recipients eligible for RVHT funding provide mental and physical health access transit services to veterans who reside in census tracts to which, as of July 3, 2019, the US Department of Agriculture assigned a primary Rural-Urban Commuting Area (RUCA) code of 4 through 10 or are recipients of Federal Highly Rural Veterans Transportation funding available in counties with a population density of less than seven people per square mile.

(2) An entity is eligible to apply for RVHT Program grants if it is a County, Transportation District or Indian Tribe.

Statutory/Other Authority: ORS 406.005, 406.050, 408.335

Statutes/Other Implemented: ORS 408.335, 391.800-391.830

ADOPT: 274-039-0025

RULE SUMMARY: ODVA is establishing this program in support of the Rural Veterans Healthcare Transportation Program.

CHANGES TO RULE:

274-039-0025

PROGRAM ELEMENTS

(1) The Program Administrator, or its designee, may establish requirements necessary for the implementation or administration of the RVHT Program, including but not limited to:

(a) Specific goals and objectives;

(b) Minimum award value;

(c) Priorities;

(d) Project type and purpose; and,

(e) Match contribution;

(f) Reporting and oversight requirements;

(g) Application and agreement process;

(h) Method of reimbursement;

(i) Advisory Committee or selection process;

(j) Any accounting requirements;

(k) Terms of agreement and process for amendments;

(L) Program Sustainability

(2) The RVHT Program will:

(a) Be available on a cycle to be determined by the Program Administrator, or its designee;

(b) Be a competitive award process; and,

(c) Award funding based on the requirements of the RVHT Program.

(3) The Program Administrator, or its designee, will announce the amount of funds available for distribution and will make applications and application procedures publicly available during open solicitations.

Statutory/Other Authority: ORS 406.005, 406.050, 408.335

Statutes/Other Implemented: ORS 408.335, 391.800-391.830

ADOPT: 274-039-0030

RULE SUMMARY: ODVA is establishing this program in support of the Rural Veterans Healthcare Transportation Program.

CHANGES TO RULE:

274-039-0030

JOINT MANAGEMENT OF RVHT FUNDING

(1) Two or more Providers may jointly manage their RVHT programs. Joint Management means two or more Providers joining together to manage their RVHT programs by consultation and acting independently, or by jointly managing the functions of the RVHT program.¶¶

(a) Coordinated program management does not require an agreement between the parties.¶¶

(b) Joint management of the functions including, and not limited to, pooling RVHT funding and jointly allocating funds to Projects, requires an agreement between the Providers.¶¶

(2) When two or more Providers jointly manage the functions of the RVHT programs, they will:¶¶

(a) Designate a lead Recipient who will perform all of the functions of the program as defined in this rule;¶¶

(b) Ensure that programs are coordinated by the lead Recipient and local veteran and transportation representatives are included; and¶¶

(c) Meet together for consultation and review of the jointly managed RVHT funded program at least once per year.

Statutory/Other Authority: ORS 406.005, 406.050, 408.335

Statutes/Other Implemented: ORS 408.335, 391.800-391.830

ADOPT: 274-039-0035

RULE SUMMARY: ODVA is establishing this program in support of the Rural Veterans Healthcare Transportation Program.

CHANGES TO RULE:

274-039-0035

RECIPIENT QUALIFICATIONS

(1) To be eligible to receive RVHT funding for a Project, a Recipient will meet, or have the capacity to meet, the following qualifications, as applicable to the type of Project being funded. A Recipient will:

(a) Be an entity eligible to enter into agreements;

(b) Have the legal, managerial and operational capacity to perform the Project;

(c) Not be debarred or suspended from receiving state grants;

(d) Maintain compliance with state and local laws and regulations including, and not limited to, those pertaining to passenger transportation, civil rights, labor, insurance, safety and health, as applicable;

(e) Comply with the laws or rules of this program;

(f) Properly use RVHT funding; and;

(g) Perform the Project in a safe, prudent and timely manner.

(2) A Recipient may require additional eligibility qualifications of sub-Recipients as necessary to implement a Project.

(3) The Program Administrator may require additional eligibility qualifications of sub- Recipients as necessary to implement the RVHT Program.

(4) The Recipient must confirm the eligibility of a sub-Recipient prior to awarding RVHT funding and entering into an agreement.

(5) The Recipient must ensure that sub-Recipients maintain eligibility while receiving RVHT funding.

(6) A sub Recipient found by the Recipient or Program Administrator to be ineligible may be required to repay funding received during the period of ineligibility.

Statutory/Other Authority: ORS 406.005, 406.050, 408.335

Statutes/Other Implemented: ORS 408.335, 391.800-391.830