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NOTICE OF PROPOSED RULEMAKING

INCLUDING STATEMENT OF NEED & FISCAL IMPACT

CHAPTER 170

OREGON STATE TREASURY

FILED: 05/18/2026 11:34 AM

ARCHIVES DIVISION SECRETARY OF STATE

FILING CAPTION: Implementing OAR 170-050 Rural Hospital Stabilization Loan Guarantee Program Rules

LAST DAY AND TIME TO OFFER COMMENT TO AGENCY: 06/22/2026 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.

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Filed By:

Kevin Willingham
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NEED FOR THE RULE(S):

To set forth the application process and procedures relating to the Rural Hospital Stabilization Loan Guarantee Program authorized by Oregon Laws 2026, Chapter 111 (HB 4075).

DOCUMENTS RELIED UPON, AND WHERE THEY ARE AVAILABLE:

HB 4075 (2026): <https://olis.oregonlegislature.gov/liz/2026R1/Downloads/MeasureDocument/HB4075/Enrolled>

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

These rules clarify Oregon State Treasury's processes relating to issuing a loan guarantee to a Rural Hospital; thus, the rules do not directly impact racial equity in this state but may impact healthcare to all citizens served by the Rural Hospital.

FISCAL AND ECONOMIC IMPACT:

These rules clarify Oregon State Treasury's processes relating to issuing a loan guarantee to a Rural Hospital; thus, the rules do not have a fiscal or economic impact on the agency. However, the requirements of the legislation could impact Oregon State Treasury's Unclaimed Property Program in the amount of up to \$44 million in the event a Rural Hospital is unable to pay the underlying loan and a demand is made on the guarantee.

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).

1. The rule does not regulate state agencies or units of local government or members of the general public.
2. The rule does not impact small business, as it clarifies the State Treasurer's ability to implement authority granted by the Oregon Legislature relating to Rural Hospitals.
 - a. Because no small businesses are impacted by the rule, there is no cost of compliance impact on those businesses.
 - b. The rule does not include any reporting, recordkeeping and administrative activities requirements for small businesses.
 - c. The rule does not regulate small businesses and does not include any increased costs to comply with the rule.

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

Because the rules do not regulate small businesses, representatives of small businesses were not included in the development of the rule.

WAS AN ADMINISTRATIVE RULE ADVISORY COMMITTEE CONSULTED? YES

RULES PROPOSED:

170-150-0005, 170-150-0010, 170-150-0015, 170-150-0020, 170-150-0025

ADOPT: 170-150-0005

RULE SUMMARY: The rule defines certain terms used in the rule chapter.

CHANGES TO RULE:

170-150-0005

Definitions

(1) "Act" means Oregon Laws 2026, Chapter 111 (HB 4075).¶

(2) "Applicant" means any person or entity that submits an application for a Rural Hospital Stabilization Loan Guarantee.¶

(3) "Complete Application" means the submission of all information and documentation required by the State Treasurer to determine an Applicant's eligibility for a Rural Hospital Stabilization Loan Guarantee.¶

(4) "Rural Hospital" means a hospital that:¶

(a) Is governed by a public elected board; and¶

(b) Receives Medicare reimbursement on the basis of diagnostic related groups.¶

(5) "Rural Hospital Stabilization Loan Guarantee" means a loan guarantee issued pursuant to the loan guarantee program established under the Act.

Statutory/Other Authority: ORS 98.422, ORS 170.050

Statutes/Other Implemented: Oregon Laws 2026, Chapter 111 (HB 4075)

ADOPT: 170-150-0010

RULE SUMMARY: The rule establishes the process and deadline for applying for a loan guarantee.

CHANGES TO RULE:

170-150-0010

Application

(1) An Applicant requesting issuance of a Rural Hospital Stabilization Loan Guarantee must submit a Complete Application to the State Treasurer in a form and manner prescribed by the State Treasurer.¶

(2) The deadline for submitting a Complete Application to the State Treasurer is December 31, 2026.¶

(3) The application must include supporting documentation demonstrating that the Applicant satisfies all requirements set forth in Section 2 of the Act.¶

(4) The State Treasurer may request any additional information that it deems necessary in its discretion to evaluate the eligibility of the Applicant for a Rural Hospital Stabilization Loan Guarantee.

Statutory/Other Authority: ORS 98.422, ORS 178.050

Statutes/Other Implemented: Oregon Laws 2026, Chapter 111 (HB 4075)

ADOPT: 170-150-0015

RULE SUMMARY: The rule establishes the State Treasurer's process to review complete applications.

CHANGES TO RULE:

170-150-0015

Determination of Eligibility

(1) The State Treasurer shall review a timely submitted Complete Application and will approve or deny the application based on the materials provided, any supplemental materials provided or requested by the State Treasurer, and the requirements of Section 2 of the Act.

(2) The State Treasurer may deny an application if the Applicant does not demonstrate, to the satisfaction of the State Treasurer, that the Applicant both:

(a) Meets the definition of a Rural Hospital; and

(b) Satisfies the requirements for the issuance of a Rural Hospital Stabilization Loan Guarantee as set forth in Section 2 of the Act.

Statutory/Other Authority: ORS 98.422, ORS 178.050

Statutes/Other Implemented: Oregon Laws 2026, Chapter 111 (HB 4075)

ADOPT: 170-150-0020

RULE SUMMARY: The rule describes the process for issuing a loan guarantee under the program.

CHANGES TO RULE:

170-150-0020

Issuance of Guarantee

Upon approval of a Complete Application, the State Treasurer will issue a Rural Hospital Stabilization Loan Guarantee in a form consistent with the requirements of Section 2 of the Act.

Statutory/Other Authority: ORS 98.422, ORS 178.050

Statutes/Other Implemented: Oregon Laws 2026, Chapter 111 (HB 4075)

ADOPT: 170-150-0025

RULE SUMMARY: The rule describes the process for providing notice and reporting requirements to the State Treasurer.

CHANGES TO RULE:

170-150-0025

Notices and Reporting

(1) All notices required under Section 2, Subsections (2)(j) and (4) of the Act and other notices to the State Treasurer shall be made in writing.

(2) A Rural Hospital on whose behalf a Rural Hospital Stabilization Loan Guarantee has been issued shall notify the State Treasurer in writing upon the termination of the underlying loan as required by Section 2, Subsection (3), of the Act.

(3) All written notices required by this rule shall be delivered to the State Treasurer at:

Oregon State Treasury

Attention: Deputy Treasurer

867 Hawthorne Ave SE

Salem, OR 97301-5241

Statutory/Other Authority: ORS 98.422, ORS 178.050

Statutes/Other Implemented: Oregon Laws 2026, Chapter 111 (HB 4075)