

REVENUE: No revenue impact
FISCAL: Fiscal statement issued

Action: Do Pass as Amended and Be Printed Engrossed and Be Referred
to the Committee on Ways and Means

Vote: 5 - 0 - 0

Yeas: George, Monnes Anderson, Prozanski, Telfer, Rosenbaum

Nays: 0

Exc.: 0

Prepared By: Jeremy Sarant, Administrator

Meeting Dates: 4/1, 4/22, 4/27

WHAT THE MEASURE DOES: Permits collective bargaining unit and public employer to establish a retiree medical trust, voluntary employees' beneficiary association, health reimbursement arrangement or other health care agreement for health care expenses of employees or retirees. Exempts school districts subject to coverage under the Oregon Educators Benefit Board. Requires that agreements comply with Insurance Code. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Current legal obstacles to establishing programs
- Oversight of trust
- Mandatory participation required by voluntary employees' beneficiary associations

EFFECT OF COMMITTEE AMENDMENT: Requires that agreements comply with Insurance Code. Exempts school districts subject to coverage under the Oregon Educators Benefit Board.

BACKGROUND: SB 821 A is intended to encourage workplace programs to assist employees in planning for retirement by using tax sheltered savings or other arrangements to help cover health care premiums or uninsured medical expenses. Current law has been interpreted to allow these programs for employees of local governments, but prohibit them for state employees.