

A-Engrossed
Senate Bill 901

Ordered by the Senate April 24
Including Senate Amendments dated April 24

Sponsored by COMMITTEE ON EDUCATION AND GENERAL GOVERNMENT

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.

[Allows district, other than community college district, to offer district's benefit plan if district's plan is less costly to district than benefit plan offered by Oregon Educators Benefit Board.]

[Requires analysis by independent actuary.]

Allows certain education districts to provide employee benefit plan other than plan provided by Oregon Educators Benefit Board if premiums of plan are same as or less than premiums of board's plan and plan is comparable to board's plan.

Requires board to perform actuarial analysis.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to benefit plans for education district employees; amending ORS 243.886; and declaring an
3 emergency.

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

5 **SECTION 1.** ORS 243.886 is amended to read:

6 243.886. (1) Except as provided in [*subsection (2)*] **subsections (2) and (3)** of this section:

7 (a) A district may not provide or contract for a benefit plan unless the benefit plan is provided
8 and administered by the Oregon Educators Benefit Board under ORS 243.860 to 243.886; and

9 (b) Eligible employees of a district may participate only in benefit plans provided and adminis-
10 tered by the board.

11 (2)(a) Except for community college districts, a district that was self-insured before January 1,
12 2007, or a district that had an independent health insurance trust established and functioning before
13 January 1, 2007, may provide or contract for benefit plans other than benefit plans provided and
14 administered by the board if the premiums for the benefit plans provided or contracted for by the
15 district are equal to or less than the premiums for comparable benefit plans provided and adminis-
16 tered by the board.

17 (b) A community college district may provide or contract for benefit plans other than benefit
18 plans provided and administered by the board.

19 (c) In accordance with procedures adopted by the board to extend benefit plan coverage under
20 ORS 243.864 to 243.874 to eligible employees of a self-insured district, a district with an independent
21 health insurance trust or a community college district, these districts may choose to offer benefit
22 plans that are provided and administered by the board. Once employees of a district participate in
23 benefit plans provided and administered by the board, the district may not thereafter provide or
24 contract for benefit plans other than those provided and administered by the board.

25 **(3)(a) A district that has not offered benefit plans provided and administered by the board**

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.

1 before the effective date of this 2009 Act may provide or contract for benefit plans other than
2 benefit plans provided and administered by the board if the premiums for the benefit plans
3 provided or contracted for by the district are equal to or less than the premiums for com-
4 parable benefit plans provided and administered by the board. Once employees of a district
5 or an employee group within a district participates in benefit plans provided and adminis-
6 tered by the board, the district may not thereafter provide or contract for benefit plans for
7 those employees or employee groups other than those provided and administered by the
8 board.

9 (b) To maintain the exception created in this subsection, the board must perform an
10 actuarial analysis of the district at least once every two years. If requested by the district
11 or a labor organization representing eligible employees of the district, the board shall per-
12 form the actuarial analysis annually.

13 (c) As used in this subsection, "district" does not include a community college district.

14 [(3)] (4) Nothing in ORS 243.860 to 243.886 may be construed to expand or contract collective
15 bargaining rights or collective bargaining obligations.

16 **SECTION 2. This 2009 Act being necessary for the immediate preservation of the public**
17 **peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect**
18 **on its passage.**