

Senate Bill 901

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 **as introduced**.

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.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to benefit plans for education district employees; creating new provisions; amending ORS
3 243.886; and declaring an 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, other than a community college district, may provide or contract for**
26 **benefit plans other than benefit plans provided and administered by the board if the premi-**
27 **ums for the benefit plans provided or contracted for by the district are equal to or less than**
28 **the premiums for comparable benefit plans provided and administered by the board.**

29 **(b) An independent actuary must conduct an analysis to determine the issue of compar-**
30 **ability under this subsection. In conducting the analysis, the actuary shall study the costs**

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 and performance of the benefit plans offered by the board and by the district for the three
2 years immediately prior to the year in which the analysis is being conducted.

3 (c) The board and the district shall each pay half of the cost of an analysis conducted
4 under this subsection.

5 (d) To maintain the exception created in this subsection, an actuarial analysis must be
6 conducted once every three years.

7 [(3)] (4) Nothing in ORS 243.860 to 243.886 may be construed to expand or contract collective
8 bargaining rights or collective bargaining obligations.

9 **SECTION 2.** The amendments to ORS 243.886 by section 1 of this 2009 Act apply to dis-
10 tricts that have not offered, before the effective date of this 2009 Act, benefit plans provided
11 and administered by the Oregon Educators Benefit Board.

12 **SECTION 3.** This 2009 Act being necessary for the immediate preservation of the public
13 peace, health and safety, an emergency is declared to exist, and this 2009 Act takes effect
14 on its passage.
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