

REVENUE: Revenue statement issued  
FISCAL: No fiscal impact

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Action: Do Pass  
Vote: 9 - 0 - 1  
Yeas: Bruun, Cannon, Harker, Hoyle, Kotek, Maurer, Nathanson, Thompson, Greenlick  
Nays: 0  
Exc.: Kennemer  
Prepared By: Sandy Thiele-Cirka, Administrator  
Meeting Dates: 2/11, 2/15, 2/18

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**WHAT THE MEASURE DOES:** Exempts health insurance policies delivered or issued outside of Oregon from the one percent assessment of the gross amount of the premium earned by an insurer. Applies to premiums earned by an insurer on or after October 1, 2009. Declares an emergency, effective on passage.

**ISSUES DISCUSSED:**

- Clarification and technical fix to House Bill 2116 (2009)
- Inability to track and follow out-of-state employers
- Residency distinctions
- The phrase “issued and delivered”
- One percent premium tax
- Administrative difficulties for these policies

**EFFECT OF COMMITTEE AMENDMENT:** No amendment.

**BACKGROUND:** In 2009, HB 2116 established a one percent assessment of health insurance premiums to fund health care services for children. Since some Oregonians are covered by out-of-state employers, the law--as it stands--requires these out-of-state health care purchasers to track and be assessed for each Oregon premium.

Proponents of SB 1047 note that this places an administrative burden on employers and that the home state of the purchaser may already be assessing the purchaser for Oregon workers. Premiums being exempted by this bill were not in the original revenue projections for HB 2116.