

REVENUE: Revenue statement issued  
FISCAL: No fiscal impact

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Action: Do Pass  
Vote: 5 - 0 - 0  
Yeas: Bates, Kruse, Morrisette, Morse, Monnes Anderson  
Nays: 0  
Exc.: 0  
Prepared By: Rick Berkobien, Administrator  
Meeting Dates: 2/2

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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 upon passage.

**ISSUES DISCUSSED:**

- Plans ability to determine where Oregon resident's reside
- Technical fix to measure
- Lack of mechanism to track out-of-state employers
- Administrative cost to Oregon Insurance Division to audit compliance
- National Association of Insurance Commissioners standards

**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 the 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.