

# Senate Bill 569

Sponsored by Senator JOHNSON (at the request of Confederation of Oregon School Administrators)

## 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**.

Authorizes school and educational service districts that have access to or enforceable proposals for benefit plans that are comparable to and have premiums equal to or less than premiums for benefit plans offered by Oregon Educators Benefit Board to provide benefit plans for employees that are not provided and administered by board.

Prohibits districts that elect not to offer plans provided and administered by board from offering board plans for two years from date of election.

## A BILL FOR AN ACT

1  
2 Relating to benefit plans provided to certain educational employees; amending ORS 243.886.

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

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

5 243.886. (1) Except as provided in subsections (2) and (3) of this section:

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

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

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

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

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

24 (3)(a) A district that has not offered benefit plans provided and administered by the board before  
25 June 23, 2009, may provide or contract for benefit plans other than benefit plans provided and ad-  
26 ministered by the board if the premiums for the benefit plans provided or contracted for by the  
27 district are equal to or less than the premiums for comparable benefit plans provided and adminis-  
28 tered by the board. Once employees of a district or an employee group within a district participates  
29 in benefit plans provided and administered by the board, the district may not thereafter provide or

**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 contract for benefit plans for those employees or employee groups other than those provided and  
2 administered by the board.

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

7 **(c) Notwithstanding paragraph (a) of this subsection, a district may provide or contract**  
8 **for benefit plans other than those benefit plans provided and administered by the board if the**  
9 **district has access to or enforceable proposals for benefit plans that have been determined**  
10 **by the district to have premiums that are equal to or less than the premiums for comparable**  
11 **benefit plans provided and administered by the board. A district that elects to offer benefit**  
12 **plans other than those plans provided and administered by the board may not participate in**  
13 **the plans provided and administered by the board for a minimum of two years from the date**  
14 **the district elects to offer benefit plans other than those plans provided and administered**  
15 **by the board.**

16 [(c)] (d) As used in this subsection, “district” does not include a community college district.

17 (4) Nothing in ORS 243.860 to 243.886 may be construed to expand or contract collective bar-  
18 gaining rights or collective bargaining obligations.

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