

Senate Bill 1542

Sponsored by Senator JOHNSON; Senators BATES, BEYER, GEORGE, MORSE, NELSON, OLSEN, STARR, TELFER, VERGER, WHITSETT, WINTERS, Representatives BERGER, GARRARD, WHISNANT (Presession filed.)

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**.

Eliminates requirement for Advisory Committee approval of Governor's appointment of Director of Veterans' Affairs.

Increases membership of Public Employees' Benefit Board to nine members. Requires appointment of public member to board. Establishes position of administrator of Public Employees' Benefit Board. Requires Governor to establish qualifications for and to appoint administrator.

Declares emergency, effective on passage.

A BILL FOR AN ACT

1
2 Relating to gubernatorial appointments; creating new provisions; amending ORS 243.061, 243.125 and
3 406.020; and declaring an emergency.

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

5 **SECTION 1.** ORS 406.020 is amended to read:

6 406.020. The Department of Veterans' Affairs shall be under the supervision and control of the
7 Director of Veterans' Affairs. The Governor shall appoint the director subject to confirmation by
8 the Senate in the manner provided in ORS 171.562 and 171.565. [*The appointment may not be made*
9 *without the written approval of the Advisory Committee provided for in ORS 406.210.*] The director
10 shall be a veteran, chosen on the basis of executive and administrative ability.

11 **SECTION 2.** ORS 243.061 is amended to read:

12 243.061. (1) There is created in the Oregon Health Authority the Public Employees' Benefit
13 Board consisting of [*eight*] **nine** voting members and two members of the Legislative Assembly as
14 nonvoting advisory members. Two of the voting members are ex officio members and [*six*] **seven** are
15 appointed by the Governor. The voting members shall be:

16 (a) Four members representing the state as an employer and management employees, who shall
17 be as follows:

18 (A) The Director of the Oregon Health Authority or a designee of the director;

19 (B) The Administrator of the Office for Oregon Health Policy and Research or a designee of the
20 administrator; and

21 (C) Two management employees appointed by the Governor from areas of state government
22 other than the Oregon Health Authority or the Office for Oregon Health Policy and Research;
23 [*and*]

24 (b) Four members appointed by the Governor and representing nonmanagement representable
25 employees, who shall be as follows:

26 (A) Two persons from the largest employee representative unit;

27 (B) One person from the second largest employee representative unit; and

28 (C) One person from representable employees not represented by employee representative units

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 described in subparagraphs (A) and (B) of this paragraph[.]; **and**

2 **(c) One member appointed by the Governor who represents the interests of the public.**

3 (2) One member of the Senate shall be appointed by the President of the Senate and one member
4 of the House of Representatives shall be appointed by the Speaker of the House to serve as non-
5 voting advisory members.

6 (3) The term of office of each appointed voting member is four years, but an appointed voting
7 member serves at the pleasure of the Governor. Before the expiration of the term of a voting mem-
8 ber appointed by the Governor, the Governor shall appoint a successor to take office upon the date
9 of that expiration. A member is eligible for reappointment. If there is a vacancy for any cause, the
10 Governor shall make an appointment to become immediately effective for the unexpired term.

11 (4) The appointments by the Governor of voting members of the board are subject to confirma-
12 tion by the Senate in the manner prescribed in ORS 171.562 and 171.565.

13 (5) Members of the board who are not members of the Legislative Assembly shall receive no
14 compensation for their services, but shall be paid for their necessary and actual expenses while on
15 official business in accordance with ORS 292.495. Members of the board who are members of the
16 Legislative Assembly shall be paid compensation and expense reimbursement as provided in ORS
17 171.072, payable from funds appropriated to the Legislative Assembly.

18 **SECTION 3. Section 4 of this 2012 Act is added to and made a part of ORS 243.105 to**
19 **243.285.**

20 **SECTION 4. (1)(a) The Public Employees' Benefit Board shall be assisted in carrying out**
21 **the duties and functions of the board by an administrator.**

22 **(b) The Governor shall establish the qualifications for and shall appoint the administra-**
23 **tor, who shall serve at the pleasure of the Governor.**

24 **(c) The board shall establish the duties and responsibilities of the administrator.**

25 **(d) The administrator shall receive a salary as provided by law or, if not so provided, as**
26 **fixed by the Governor.**

27 **(2) Subject to the provisions of the State Personnel Relations Law, the Governor shall:**

28 **(a) Appoint such personnel required to assist the board and the administrator; and**

29 **(b) Prescribe the duties and fix the compensation of persons appointed under this sub-**
30 **section.**

31 **SECTION 5. ORS 243.125 is amended to read:**

32 243.125. (1) The Public Employees' Benefit Board shall prescribe rules for the conduct of its
33 business and for carrying out ORS 243.256. The board shall study all matters connected with the
34 providing of adequate benefit plan coverage for eligible state employees on the best basis possible
35 with relation both to the welfare of the employees and to the state. The board shall design benefits,
36 devise specifications, analyze carrier responses to advertisements for bids and decide on the award
37 of contracts. Contracts shall be signed by the chairperson on behalf of the board.

38 (2) In carrying out its duties under subsection (1) of this section, the goal of the board shall be
39 to provide a high quality plan of health and other benefits for state employees at a cost affordable
40 to both the employer and the employees.

41 (3) Subject to ORS chapter 183, the board may make rules not inconsistent with ORS 243.105 to
42 243.285 and 292.051 to determine the terms and conditions of eligible employee participation and
43 coverage.

44 (4) The board shall prepare specifications, invite bids and do acts necessary to award contracts
45 for health benefit plan and dental benefit plan coverage of eligible employees in accordance with the

1 criteria set forth in ORS 243.135 (1).

2 (5) The board may retain consultants, brokers or other advisory personnel when necessary [*and,*
3 *subject to the State Personnel Relations Law, shall employ such personnel as are required*] to perform
4 the functions of the board.

5 **SECTION 6. This 2012 Act being necessary for the immediate preservation of the public**
6 **peace, health and safety, an emergency is declared to exist, and this 2012 Act takes effect**
7 **on its passage.**

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