

Testimony - SB 789 (OEGB opt out), General Government, Consumer and Small Business Protection

For the record, Mark Hass, Oregon State Senator, representing the Beaverton Aloha area of Washington County

I am here today in support of SB 789.

This bill supports our school districts and will save them time, money, and unnecessary burden.

Currently, school districts must complete a comparability analysis every two years to OEGB in order to maintain their exception from their plans.

This bill would limit the length of time that a school district would have to provide this analysis to six years. The school districts that would benefit from this bill have been compliant with current statute and have demonstrated tremendous savings through their excellent stewardship in managing their employee health plan costs.

My school district in Beaverton has shared with me that since 2008, they have saved \$25 million dollars by managing their employee health plans outside of OEGB —this equals over 260 teaching positions over the last 5 years. They have passed the comparability analysis three times and have asked me, “How many more times do we need to pass the comparability analysis; how many times is enough?”

I think this bill answers that question for Beaverton and the other districts here today.

The Beaverton School District is currently experiencing the worst financial situation in its history – some 200-teacher layoffs this year have left class sizes of 40-50 kids in a classroom. The district is doing everything it can to hang onto every dime it can. Keeping their health insurance costs down is one way to deal with this dire situation.