

**SENATE MINORITY REPORT
AMENDMENTS TO
SENATE BILL 789**

June 20

President Courtney:

A minority of your Committee on Rules, to whom was referred Senate Bill 789, having had the same under consideration, respectfully reports it back with the recommendation that it do pass with the following amendments:

- 1 On page 1 of the printed bill, delete lines 4 through 29 and delete pages 2 and 3 and insert:
2 “**SECTION 1.** ORS 243.886, as amended by section 9, chapter 38, Oregon Laws 2012, is amended
3 to read:
4 “243.886. (1) Except as provided in subsections (2), (3) and (4) of this section, a district may not
5 provide or contract for a benefit plan and eligible employees of districts may not participate in a
6 benefit plan unless the benefit plan:
7 “(a) Is provided and administered by the Oregon Educators Benefit Board under ORS 243.860 to
8 243.886; or
9 “(b) On or after October 1, 2015, is offered through the health insurance exchange under ORS
10 741.310 (1)(b).
11 “(2)(a) Except for community college districts, a district that was self-insured before January 1,
12 2007, or a district that had an independent health insurance trust established and functioning before
13 January 1, 2007, may provide or contract for benefit plans other than benefit plans provided and
14 administered by the board if the premiums for the benefit plans provided or contracted for by the
15 district are equal to or less than the premiums for comparable benefit plans provided and adminis-
16 tered by the board.
17 “(b) A community college district may provide or contract for benefit plans other than benefit
18 plans provided and administered by the board.
19 “(c) In accordance with procedures adopted by the board to extend benefit plan coverage under
20 ORS 243.864 to 243.874 to eligible employees of a self-insured district, a district with an independent
21 health insurance trust or a community college district, these districts may choose to offer benefit
22 plans that are provided and administered by the board. Once employees of a district participate in
23 benefit plans provided and administered by the board, the district may not thereafter provide or
24 contract for benefit plans other than those provided and administered by the board.
25 “(3)(a) A district, **other than a district claiming the exception in subsection (2)(a) of this**
26 **section**, that has not offered benefit plans provided and administered by the board before June 23,
27 2009, may provide or contract for benefit plans other than benefit plans provided and administered
28 by the board if the premiums for the benefit plans provided or contracted for by the district are
29 equal to or less than the premiums for comparable benefit plans provided and administered by the
30 board. Once employees of a district or an employee group within a district participates in benefit
31 plans provided and administered by the board, the district may not thereafter provide or contract
32 for benefit plans for those employees or employee groups other than those provided and administered

1 by the board.

2 “(b) **Notwithstanding paragraph (a) of this subsection, a district may provide or contract**
3 **for benefit plans other than benefit plans provided and administered by the board if the dis-**
4 **trict determines that the premiums for the benefit plans provided or contracted for by the**
5 **district are equal to or less than the premiums for comparable benefit plans provided and**
6 **administered by the board.**

7 “[*(b)*] (c) [*To maintain the exception created in this subsection, the board must perform an*
8 *actuarial analysis of the district at least once every two years.*] If requested by the district or a labor
9 organization representing eligible employees of the district, the board shall perform [*the*] **an**
10 actuarial analysis [*annually*] **of the district.**

11 “[*(c)*] (d) As used in this subsection, ‘district’ does not include a community college district.

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

14 “**SECTION 2.** ORS 243.886, as amended by sections 9 and 13, chapter 38, Oregon Laws 2012, is
15 amended to read:

16 “243.886. (1) Except as provided in subsections (2), (3) and (4) of this section, a district may not
17 provide or contract for a benefit plan and eligible employees of districts may not participate in a
18 benefit plan unless the benefit plan:

19 “(a) Is provided and administered by the Oregon Educators Benefit Board under ORS 243.860 to
20 243.886; or

21 “(b) Is offered through the health insurance exchange under ORS 741.310 (1)(c).

22 “(2)(a) Except for community college districts, a district that was self-insured before January 1,
23 2007, or a district that had an independent health insurance trust established and functioning before
24 January 1, 2007, may provide or contract for benefit plans other than benefit plans provided and
25 administered by the board if the premiums for the benefit plans provided or contracted for by the
26 district are equal to or less than the premiums for comparable benefit plans provided and adminis-
27 tered by the board.

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

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

36 “(3)(a) A district, **other than a district claiming the exception in subsection (2)(a) of this**
37 **section**, that has not offered benefit plans provided and administered by the board before June 23,
38 2009, may provide or contract for benefit plans other than benefit plans provided and administered
39 by the board if the premiums for the benefit plans provided or contracted for by the district are
40 equal to or less than the premiums for comparable benefit plans provided and administered by the
41 board. Once employees of a district or an employee group within a district participates in benefit
42 plans provided and administered by the board, the district may not thereafter provide or contract
43 for benefit plans for those employees or employee groups other than those provided and administered
44 by the board.

45 “(b) **Notwithstanding paragraph (a) of this subsection, a district may provide or contract**

1 for benefit plans other than benefit plans provided and administered by the board if the dis-
2 trict determines that the premiums for the benefit plans provided or contracted for by the
3 district are equal to or less than the premiums for comparable benefit plans provided and
4 administered by the board.

5 “[*(b)*] (c) [*To maintain the exception created in this subsection, the board must perform an*
6 *actuarial analysis of the district at least once every two years.*] If requested by the district or a labor
7 organization representing eligible employees of the district, the board shall perform [*the*] an
8 actuarial analysis [*annually*] of the district.

9 “[*(c)*] (d) As used in this subsection, ‘district’ does not include a community college district.

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

12 “**SECTION 3. The amendments to ORS 243.886 by sections 1 and 2 of this 2013 Act apply**
13 **to districts claiming exceptions under ORS 243.886 (2)(a) or (3)(a) before, on or after the ef-**
14 **fective date of this 2013 Act.”.**

15 /s/ Bruce Starr
16 Senator

17 /s/ Ted Ferrioli
18 Senator

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