



Senator Michael Dembrow

Senate District 23 (NE and SE Portland, Maywood Park)

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S-407

Bill Brief: SB 1543

Oregon Health Care Accountability Act

Background:

Under the Affordable Care Act, large employers, i.e., those with more than 50 full-time equivalent employees, will face tax penalties if they do not provide adequate, affordable coverage to their full-time employees (defined as working at least 30 hours per week). This requirement will be phased in, beginning in 2015.

Some large employers have already publicly stated their intention to cut hours for their workers to below the 30 hours/week threshold in order to avoid both providing health care and incurring tax penalties.

Examples include **Staples, David's Bridal, Dave & Buster's, Shari's Restaurants, franchisees of Subway, Taco Bell and Burger King, Regal Movie Theaters, Cabela's**, and many others. A more complete list of employers making hour cuts related to the ACA can be found at <http://goo.gl/xDisQ4>

If this occurs in Oregon, it could bar thousands of workers from access to employer-provided health care, and reduce their paycheck – a significant double-hit to their ability to make ends meet.

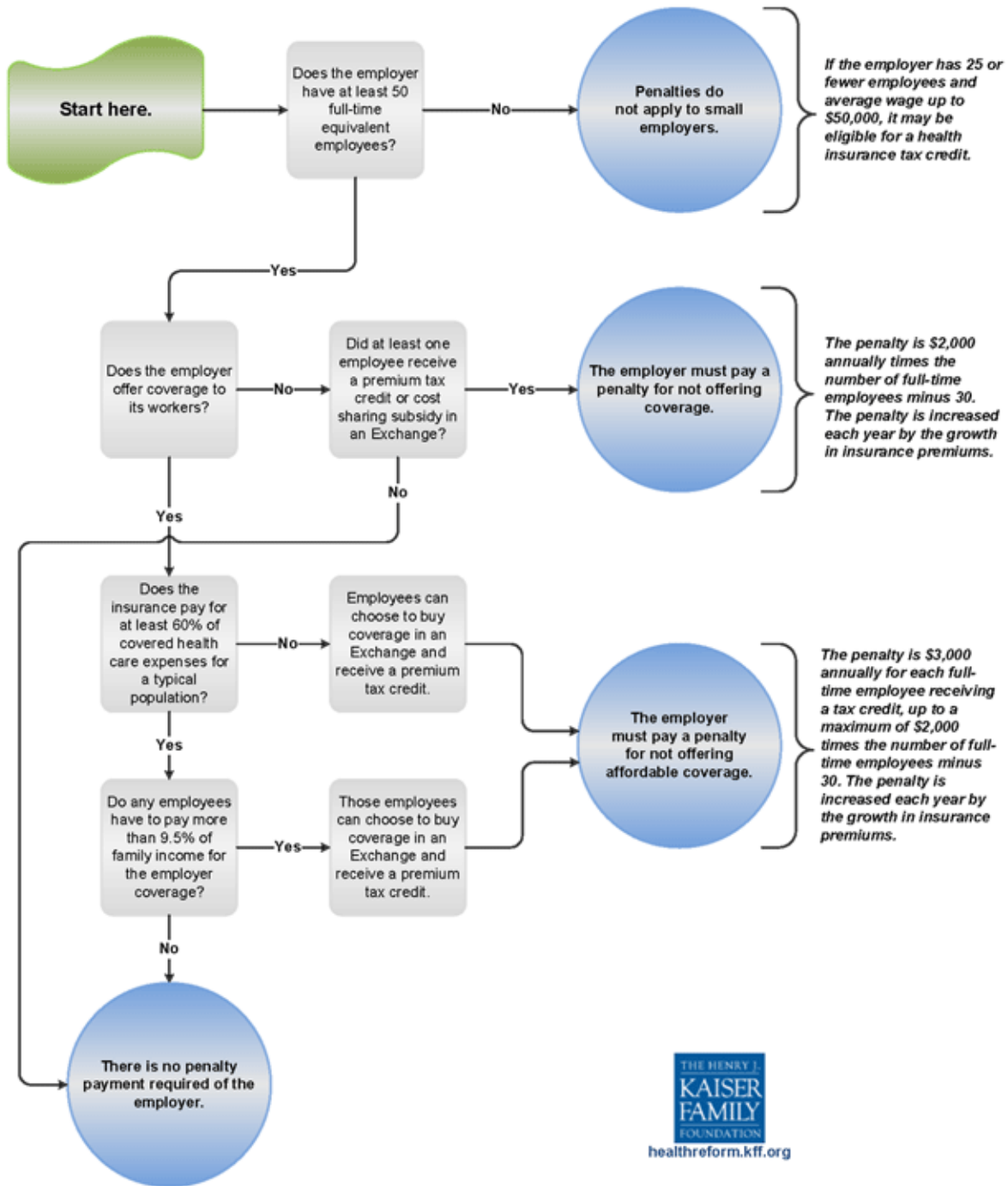
Additionally, some community colleges and public universities across the country are planning to cut back on teaching loads to keep part-time faculty underneath the 30 hours/week equivalent. Because many part-time college teachers are teaching at more than one college, their total course load could easily surpass the 30 hours/week – but under current law their eligibility status under the ACA is not clear because those hours would not come from a single employer.

Senate Bill 1543 would make it an unlawful employment practice for an Oregon employer to reduce the number of hours for a full-time employee solely for the purpose of preventing the employee from qualifying for coverage under the Affordable Care Act. It allows for an employee to file a complaint with the Bureau of Labor and Industries, and for BOLI to investigate any complaints received.

SB 1543 also clarifies that for the purposes of eligibility for coverage under the ACA, instructors who teach at more than one public institution of higher education will be considered full-time if their aggregate hours worked at Oregon public colleges and universities is equivalent to at least 30 hours per week. This has been the methodology used to determine PERS eligibility since the early 1990s. In 2009 the Legislature decided in HB 2557 to apply this same methodology to provide part-time faculty access to the Oregon Educator Benefit Board plans.

For more information, contact Senator Dembrow's office at 6-1723.

Penalties for Employers Not Offering Affordable Coverage Under the Affordable Care Act



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