

STAFF MEASURE SUMMARY

House Committee On Business and Labor

Fiscal: No Fiscal Impact

Revenue: No Revenue Impact

Action Date: 05/18/15

Action: Do Pass.

Meeting Dates: 05/13, 05/18

Vote:

Yeas: 11 - Barreto, Barton, Doherty, Esquivel, Evans, Fagan, Heard, Holvey, Kennemer, Nosse, Weidner

Prepared By: Jan Nordlund, Committee Administrator

WHAT THE MEASURE DOES:

Includes intergovernmental entities in definition of “local government” for purpose of benefit plans offered by Public Employees’ Benefit Board.

ISSUES DISCUSSED:

- Providing option for state’s seven Council of Governments (COGs)
- Whether COGs could elect to participate in plans offered through Oregon Educators Benefit Board
- Potential savings by participating in Public Employees’ Benefit Board

EFFECT OF COMMITTEE AMENDMENT:

No amendment.

BACKGROUND:

The Public Employees’ Benefit Board (PEBB) designs, contracts and administers a program of benefits for the state as the employer of state employees. The benefits include: medical and dental coverage; life, accident, disability and long-term care insurance; and flexible spending accounts. PEBB also offers health care insurance options for retirees not yet eligible for Medicare and for individuals in other participating groups. PEBB’s total membership is approximately 127,000 individuals. Currently, under Oregon law, local governments such as cities, counties or special districts can enroll in benefits plans offered by PEBB.

Senate Bill 681 changes the definition of “local government” for purpose of public employee benefits plans to include intergovernmental entities created under ORS chapter 190. The measure allows an intergovernmental entity to participate in the benefit plans offered by PEBB.