

# Senate Bill 387

Sponsored by Senator FERRIOLI (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**.

Authorizes common school district, union high school district or education service district that is self-insured or that has independent health insurance trust to provide or contract for employee benefit plan other than plan provided and administered by Oregon Educators Benefit Board. Allows other specified district that has participated in benefit plan provided and administered by board to opt out of plan.

## A BILL FOR AN ACT

1  
2 Relating to ability of districts to provide benefit plans that are outside the Oregon Educators Benefit  
3 Board; amending ORS 243.886.

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

5 **SECTION 1.** ORS 243.886 is amended to read:

6 243.886. (1) Except as provided in subsections (2), (3) and (4) of this section, a district may not  
7 provide or contract for a benefit plan and eligible employees of districts may not participate in a  
8 benefit plan unless the benefit plan:

9 (a) Is provided and administered by the Oregon Educators Benefit Board under ORS 243.860 to  
10 243.886; or

11 (b) Is offered through the health insurance exchange under ORS 741.310 (1)(b)(B).

12 (2)(a) Except for community college districts, a district that [*was self-insured before January 1,*  
13 *2007, or a district that had an independent health insurance trust established and functioning before*  
14 *January 1, 2007,*] **is self-insured or has an independent health insurance trust** may provide or  
15 contract for benefit plans other than benefit plans provided and administered by the board if the  
16 premiums for the benefit plans provided or contracted for by the district are equal to or less than  
17 the premiums for comparable benefit plans provided and administered by the board.

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

20 (c) In accordance with procedures adopted by the board to extend benefit plan coverage under  
21 ORS 243.864 to 243.874 to eligible employees of a self-insured district, a district with an independent  
22 health insurance trust or a community college district, these districts may choose to offer benefit  
23 plans that are provided and administered by the board. [*Once employees of a district participate in*  
24 *benefit plans provided and administered by the board, the district may not thereafter provide or con-*  
25 *tract for benefit plans other than those provided and administered by the board.*]

26 (3)(a) A district, other than a district claiming the exception in subsection (2)(a) of this section,  
27 that has not offered benefit plans provided and administered by the board before June 23, 2009, may  
28 provide or contract for benefit plans other than benefit plans provided and administered by the  
29 board if the premiums for the benefit plans provided or contracted for by the district are equal to  
30 or less than the premiums for comparable benefit plans provided and administered by the board.

**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 *[Once employees of a district or an employee group within a district participates in benefit plans pro-*  
2 *vided and administered by the board, the district may not thereafter provide or contract for benefit*  
3 *plans for those employees or employee groups other than those provided and administered by the*  
4 *board.]*

5 (b) If requested by the district or a labor organization representing eligible employees of the  
6 district, the board shall perform an actuarial analysis of the district.

7 (c) As used in this subsection, “district” does not include a community college district.

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

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