

FISCAL IMPACT OF PROPOSED LEGISLATION

80th Oregon Legislative Assembly – 2019 Regular Session
Legislative Fiscal Office

Measure: SB 852 A

*Only Impacts on Original or Engrossed
Versions are Considered Official*

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Measure Description:

Provides that part-time faculty member at public institution of higher education who qualifies for health care benefits will pay 10 percent of insurance premiums, with remaining 90 percent paid by state.

Government Unit(s) Affected:

Oregon Health Authority (OHA), Public Universities, Community Colleges, Higher Education Coordinating Commission (HECC)

Analysis:

This fiscal impact statement is for the purpose of transmitting the measure from the Senate Committee on Education to the Joint Committee on Ways and Means.

Under current law, part-time faculty members at public institutions of higher education are required to pay all insurance premiums for health care benefits unless otherwise provided through the institution’s policies or collective bargaining agreements. SB 852, with the -4 amendment, changes this by providing that part-time faculty at public institutions of higher education, who qualify for health care benefits, will pay 10 percent of insurance premiums for employee-only coverage. Part-time faculty will pay 10 percent, plus 50 percent of the increased cost of insurance premiums for employee and dependent care coverage. The measure requires the remaining insurance premium amounts to be paid with state funds appropriated to the Oregon Educators Benefit Board. Funds appropriated for this purpose would be deposited into the Part-Time Faculty Insurance Fund, which the measure establishes for the purpose of paying premiums for the health benefit plans for part-time faculty.

The measure is anticipated to have an impact on the Oregon Health Authority (OHA), public universities, and community colleges. OHA anticipates a \$6.5 million General Fund impact and a \$2.6 million Other Funds impact in the 2019-21 biennium based on the measure’s operative date of October 1, 2020 for the change in premium payment contributions required of part-time faculty members and the state.

A more complete fiscal analysis on the measure will be prepared as the measure is considered in Joint Committee on Ways and Means.

Further Analysis Required