SB 852 A STAFF MEASURE SUMMARY

Senate Committee On Education

Action Date:	04/08/19
Action:	Do pass with amendments. Refer to Ways and Means by prior reference. (Printed A-Eng).
Vote:	4-1-0-0
Yeas:	4 - Gelser, Hass, Heard, Wagner
Nays:	1 - Thomsen
Fiscal:	Fiscal impact issued
Revenue:	No revenue impact
Prepared By:	Tamara Dykeman, LPRO Analyst
Meeting Dates:	3/11, 4/8

WHAT THE MEASURE DOES:

Establishes that a part-time faculty member at a public higher education institution is eligible for health care benefits. Establishes eligibility requirements. Requires employee to pay 10 percent of premium for employee coverage and 50 percent for dependent coverage. Directs the state to pay for the costs of insurance premiums out of state funds appropriated to the Oregon Educators Benefit Board (OEBB). Permits institution to agree through collective bargaining to pay a portion of the employee's premium share. Requires employees who are eligible for insurance through this bill to take the state benefit. Directs OEBB to determine if it has received sufficient funds to cover premium payments, as specified. Provides that any savings realized by an institution under this bill is subject to collective bargaining. Requires legacy coverage to be maintained for part-time faculty who are not eligible for state-funded insurance, as specified. Establishes a Part-Time Faculty Insurance Fund to collect unallocated state funds for the purpose of providing coverage to part-time faculty in future years. Appropriates funding to OEBB to provide health insurance to part-time faculty. Applies to health benefit plans provided on or after October 1, 2020. Applies to collective bargaining agreements entered into on or after effective date of the act. Permits OEBB to adopt rules, as specified. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Lack of health insurance among Oregon part-time faculty
- Part-time faculty with full-time class loads
- Part-time faculty working at several community colleges and public universities in same term
- Increase use of part-time faculty at colleges and universities
- Dis-investment in higher education and the increase of part-time faculty
- Working conditions of part-time faculty
- Cost of uninsured medical care
- Catastrophic health insurance
- Previous legislation to provide PERS retirement to part-time faculty
- 2015 task force on part-time faculty and health benefits
- Impact of providing health benefits through statewide OEBB, rather than individual employers
- Lack of full-time faculty positions
- Health insurance costs in the individual market
- Fiscal impact of part-time faculty health insurance
- Concern with passing unfunded mandate onto community colleges and public universities

EFFECT OF AMENDMENT:

Replaces the measure.

BACKGROUND:

Under current law, public universities and community colleges must offer the same health benefits to eligible part-time and full-time faculty members, but part-time faculty are required to pay for all health insurance premiums unless otherwise provided in a collective bargaining agreement. Senate Bill 852 A requires the state to pay 90 percent of health insurance premiums for part-time faculty, with the remaining 10 percent paid by the faculty member.