A-Engrossed
Senate Bill 852

Ordered by the Senate April 11
Including Senate Amendments dated April 11

Sponsored by Senator DEMBROW, Representative REARDON; Senators FAGAN, FREDERICK, HASS, RILEY, WAGNER, Representatives BARKER, DOHERTY, GOMBERG, GORSEK, HOLVEY, KENY-GUYER, LEIF, MARSH, MCLAIN, MEEK, NOSSE, PILUSO, SMITH G, SMITH WARNER, WILDE, WILLIAMS

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.

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*] **for employee coverage and 50 percent of increase in premium cost for employee and dependent coverage. Requires state to pay for remaining costs of insurance premiums out of moneys appropriated to Oregon Educators Benefit Board. Permits institution to agree through collective bargaining to pay portion of employee's premium share.**

Provides that employees who are eligible to receive health care benefits in manner specified may receive health care benefits from institution only in manner specified. Provides that any savings realized by institution are subject to collective bargaining.

Directs board to determine prior to open enrollment period whether it has received sufficient funds to cover required premium payments. Provides that if board has not received sufficient funds, board may require employee share to increase and that institution is not responsible for paying insurance premiums.

Requires legacy health benefit coverage to be maintained for part-time faculty at institutions who are not eligible for health care benefits under provisions.

Establishes Part-Time Faculty Insurance Fund and continuously appropriates moneys in fund to board.

Declares emergency, effective on passage.

A BILL FOR AN ACT

Relating to employees at public institutions of higher education; creating new provisions; amending ORS 350.355; and declaring an emergency.

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

SECTION 1. ORS 350.355 is amended to read:

350.355. (1) [*Subject to ORS 352.237 and any group health and welfare insurance benefit plan developed under ORS 352.237,*] A part-time faculty member at a public institution of higher education is eligible for [*the same*] health care benefits as [*full-time faculty members*] **provided in this section** if the part-time faculty member is eligible for membership in the Public Employees Retirement System or another plan authorized under ORS chapter 238 or 238A by teaching either at a single public institution of higher education or in aggregate at multiple public institutions of higher education during the prior year.

(2)**(a) Except as provided in subsection (3) of this section,** a part-time faculty member at a public institution of higher education shall pay**:** [*all insurance premiums for health care benefits unless otherwise provided for by the policy of the institution or by collective bargaining at the institution.*]

(A) For employee-only coverage, 10 percent of the insurance premiums for health benefit

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.

plans.

(B) For employee and dependent coverage, 10 percent of the insurance premiums for health benefit plans the employee would have paid for employee-only coverage plus 50 percent of the difference in the cost of insurance premiums for employee-only coverage and employee and dependent coverage.

(b) The state shall pay, out of funds appropriated to the Oregon Educators Benefit Board by the Legislative Assembly, for the cost of the insurance premiums for health benefit plans described in paragraph (a) of this subsection that are not paid by a part-time faculty member.

(3) A public institution of higher education may agree through collective bargaining to pay some or all of the premiums a part-time faculty member is required to pay under subsection (2)(a) of this section.

(4)(a) Prior to each annual open enrollment period during which part-time faculty members may select health benefit plans, the board shall determine whether the board has received sufficient appropriations to make the payments described in subsection (2)(b) of this section.

(b) If the board determines that it has not received sufficient appropriations:

(A) A public institution of higher education is not required to provide moneys for the cost of the insurance premiums for health benefit plans described in subsection (2)(b) of this section; and

(B) The board may, to the extent the board determines is necessary, increase the percentages specified in subsection (2)(a) of this section that a part-time faculty member is required to pay to receive a health benefit plan.

(5) A part-time faculty member at a public institution of higher education who is eligible for health care benefits under subsection (1) of this section may receive health care benefits only in the manner provided by this section.

(6) The board may make rules to implement this section, including which health benefit plans are offered to part-time faculty members under this section and how the health benefit plans that are offered are selected.

<u>SECTION 2.</u> A public institution of higher education that, on the effective date of this 2019 Act, provided health care benefits to part-time faculty members who are not eligible for health benefit plans under the amendments to ORS 350.355 by section 1 of this 2019 Act:

(1) May not increase the eligibility requirements that must be met by a part-time faculty member who is not eligible for health benefit plans under the amendments to ORS 350.355 by section 1 of this 2019 Act in order for the part-time faculty member to qualify for health care benefits from the institution; and

(2) Must continue to provide comparable health care benefits to part-time faculty members who are not eligible for health benefit plans under the amendments to ORS 350.355 by section 1 of this 2019 Act.

<u>SECTION 3.</u> Any realized savings by a public institution of higher education as a result of the amendments to ORS 350.355 by section 1 of this 2019 Act are considered employment relations for purposes of collective bargaining under ORS 243.650 to 243.782.

<u>SECTION 4.</u> The Part-Time Faculty Insurance Fund is established in the State Treasury, separate and distinct from the General Fund. Interest earned by the Part-Time Faculty Insurance Fund must be credited to the fund. The fund consists of moneys appropriated, allo-

cated, deposited or transferred to the fund by the Legislative Assembly or otherwise and interest earned on moneys in the fund. The moneys in the fund are continuously appropriated to the Oregon Educators Benefit Board for the purpose of paying premiums for health benefit plans for part-time faculty under ORS 350.355.

SECTION 5. There is appropriated to the Oregon Educators Benefit Board, for the biennium beginning July 1, 2019, out of the General Fund, the amount of $_____ for deposit in the Part-Time Faculty Insurance Fund established in section 4 of this 2019 Act, for the purposes specified in section 4 of this 2019 Act.

SECTION 6. (1) Except as provided in subsection (2) of this section, the amendments to ORS 350.355 by section 1 of this 2019 Act apply to health benefit plans offered to part-time faculty members on or after October 1, 2020.

(2) To the extent that a conflict exists, the terms of collective bargaining agreements and other contracts entered into before the effective date of this 2019 Act shall prevail over the amendments to ORS 350.355 by section 1 of this 2019 Act.

SECTION 7. The Oregon Educators Benefit Board shall, before the applicability date specified in section 6 of this 2019 Act, take any actions necessary to implement the amendments to ORS 350.355 by section 1 of this 2019 Act on the applicability date specified in section 6 of this 2019 Act.

SECTION 8. This 2019 Act being necessary for the immediate preservation of the public peace, health and safety, an emergency is declared to exist, and this 2019 Act takes effect on its passage.