

**A-Engrossed**  
**Senate Bill 551**

Ordered by the Senate June 23  
Including Senate Amendments dated June 23

Sponsored by Senator DEMBROW, Representative MCLAIN, Senators LIEBER, WAGNER; Senators GORSEK, KENNEMER, Representatives ALONSO LEON, DRAZAN, NERON, REARDON (Pre-session 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.

Provides that part-time faculty member at public institution of higher education **qualifies for employee-only health care benefits if part-time faculty member works at level equal to at least half of full-time equivalent employee during at least three of four previous academic terms.** [*who qualifies for health care benefits will*] **Requires part-time faculty member to pay 10 percent of insurance premiums for employee coverage.**

**Requires part-time faculty member to select home public institution of higher education. Requires selected institution to determine whether part-time faculty member is eligible to receive health benefit plans, collect premiums for health benefit plans, pay full cost of insurance premiums for health benefit plans and to administer and provide health benefit plans to part-time faculty member. Requires Higher Education Coordinating Commission to reimburse selected institution for cost of paying insurance premiums.** [*Requires state to pay for remaining costs of insurance premiums out of moneys appropriated to Oregon Educators Benefit Board.*] Permits institution to agree through either institution policy or collective bargaining to pay portion of health care benefits paid for by employee.

Provides that unless otherwise agreed through collective bargaining, 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 **commission** [*board*].

Declares emergency, effective on passage.

**A BILL FOR AN ACT**

1  
2 Relating to employees at public institutions of higher education; creating new provisions; amending  
3 ORS 350.355; and declaring an emergency.

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

5 **SECTION 1.** ORS 350.355 is amended to read:

6 350.355. (1)(a) [*Subject to ORS 352.237 and any group health and welfare insurance benefit plan*  
7 *developed under ORS 352.237,*] **Except as provided in paragraph (b) of this subsection,** a part-  
8 time faculty member at a public institution of higher education is eligible for the same **employee-**  
9 **only** health care benefits as full-time faculty members if the part-time faculty member is [*eligible for*  
10 *membership in the Public Employees Retirement System or another plan authorized under ORS chapter*  
11 *238 or 238A by teaching*] **working at a level equal to at least half of a full-time equivalent**  
12 **employee** either at a single public institution of higher education or in aggregate at multiple public  
13 institutions of higher education during **at least three of the four previous academic terms** [*the*

**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 *prior year*].

2 **(b) The total cost of providing any health benefit plan offered by a public institution of**  
3 **higher education to a part-time faculty member under this section may not increase annually**  
4 **by more than the annual increase in premium amounts paid for contracted health benefit**  
5 **plans that is permitted under ORS 243.135 (8)(b) or 243.866 (9)(b).**

6 **(2)(a) In order to receive employee-only health care benefits under this section, a part-**  
7 **time faculty member must select a home public institution of higher education for the du-**  
8 **ration of the benefit year under a process established by each institution. A home public**  
9 **institution of higher education selected under this subsection:**

10 **(A) Must be one at which the part-time faculty member is working during the academic**  
11 **term at the time of the application; and**

12 **(B) Is responsible for:**

13 **(i) Determining whether the part-time faculty member is eligible to receive health care**  
14 **benefits under this section;**

15 **(ii) Determining, on a semiannual basis, whether a part-time faculty member who was**  
16 **found to be eligible to receive health care benefits under sub-subparagraph (i) of this sub-**  
17 **paragraph continues to be eligible to receive health care benefits under this section;**

18 **(iii) Collecting the premiums for health benefit plans that must be paid by the part-time**  
19 **faculty member under subsection (3) of this section;**

20 **(iv) Paying the full cost of the insurance premiums for providing health benefit plans to**  
21 **the part-time faculty member, subject to reimbursement as described in subsection (4) of**  
22 **this section; and**

23 **(v) Administering and providing health benefit plans to the part-time faculty member in**  
24 **the manner described in this section.**

25 **(b) In order to receive health care benefits under this section, a part-time faculty mem-**  
26 **ber must provide the home public institution of higher education with all information nec-**  
27 **essary for the institution to determine the eligibility of the part-time faculty member to**  
28 **receive health care benefits under this section.**

29 **[(2)] (3)(a) Except as provided in paragraph (b) of this subsection, a part-time faculty mem-**  
30 **ber at a public institution of higher education shall pay 10 percent of all insurance premiums for**  
31 **health benefit plans** *[health care benefits unless otherwise provided for by the policy of the institution*  
32 *or by collective bargaining at the institution].*

33 **(b) A public institution of higher education may provide by collective bargaining at the**  
34 **institution to pay for some or all of the insurance premiums that must otherwise be paid by**  
35 **a part-time faculty member under paragraph (a) of this subsection. The public institution of**  
36 **higher education may not be reimbursed under subsection (4) of this section for the costs**  
37 **the institution incurs to provide health benefit plans under this paragraph.**

38 **(4)(a) Every three months a public institution of higher education may request re-**  
39 **imbursement from the Higher Education Coordinating Commission for the cost of paying**  
40 **insurance premiums for providing health benefit plans to each part-time faculty member who**  
41 **has selected the institution as the faculty member's home public institution of higher edu-**  
42 **cation under subsection (2) of this section.**

43 **(b) The commission shall use moneys from the Part-Time Faculty Insurance Fund es-**  
44 **tablished under section 4 of this 2021 Act to fully reimburse each public institution of higher**  
45 **education for all documented costs requested by the institution under this subsection, except**

1 for any costs described in subsection (3) of this section.

2 (5) Unless otherwise provided for by collective bargaining, a part-time faculty member  
3 at a public institution of higher education who is eligible for health care benefits under sub-  
4 section (1) of this section may receive health care benefits only in the manner provided by  
5 this section.

6 (6) The Higher Education Coordinating Commission may adopt rules necessary to imple-  
7 ment subsection (4) of this section.

8 **SECTION 2.** A public institution of higher education that, on the effective date of this  
9 2021 Act, provided health care benefits to part-time faculty members who are not eligible for  
10 health care benefits under the amendments to ORS 350.355 by section 1 of this 2021 Act:

11 (1) May not increase the eligibility requirements that must be met by a part-time faculty  
12 member who is not eligible for health care benefits under the amendments to ORS 350.355  
13 by section 1 of this 2021 Act in order for the part-time faculty member to qualify for health  
14 care benefits from the institution; and

15 (2) Must continue to provide comparable health care benefits to part-time faculty mem-  
16 bers who are not eligible for health care benefits under the amendments to ORS 350.355 by  
17 section 1 of this 2021 Act.

18 **SECTION 3.** Any realized savings by a public institution of higher education as a result  
19 of the amendments to ORS 350.355 by section 1 of this 2021 Act are considered employment  
20 relations for purposes of collective bargaining under ORS 243.650 to 243.782.

21 **SECTION 4.** The Part-Time Faculty Insurance Fund is established in the State Treasury,  
22 separate and distinct from the General Fund. Interest earned by the Part-Time Faculty In-  
23 surance Fund must be credited to the fund. The fund consists of moneys appropriated, allo-  
24 cated, deposited or transferred to the fund by the Legislative Assembly or otherwise and  
25 interest earned on moneys in the fund. The moneys in the fund are continuously appropri-  
26 ated to the Higher Education Coordinating Commission for the purpose of reimbursing public  
27 institutions of higher education for the cost of paying premiums for health benefit plans for  
28 part-time faculty under ORS 350.355.

29 **SECTION 5.** There is appropriated to the Higher Education Coordinating Commission, for  
30 the biennium beginning July 1, 2021, out of the General Fund, the amount of \$12,900,000 for  
31 deposit in the Part-Time Faculty Insurance Fund established under section 4 of this 2021 Act,  
32 for the purposes specified under section 4 of this 2021 Act.

33 **SECTION 6.** (1) Except as provided in subsection (2) of this section, the amendments to  
34 ORS 350.355 by section 1 of this 2021 Act apply to health benefit plans offered to part-time  
35 faculty members on or after October 1, 2021.

36 (2) To the extent that a conflict exists, the terms of collective bargaining agreements and  
37 other contracts entered into before the effective date of this 2021 Act shall prevail over the  
38 amendments to ORS 350.355 by section 1 of this 2021 Act.

39 **SECTION 7.** The Higher Education Coordinating Commission and public institutions of  
40 higher education shall, before the applicability date specified in section 6 of this 2021 Act,  
41 take any actions necessary to implement the amendments to ORS 350.355 by section 1 of this  
42 2021 Act on the applicability date specified in section 6 of this 2021 Act.

43 **SECTION 8.** This 2021 Act being necessary for the immediate preservation of the public  
44 peace, health and safety, an emergency is declared to exist, and this 2021 Act takes effect  
45 on its passage.

