

Legislative Fiscal Office

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Joint Committee on Ways and Means

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Rep. David Gomberg, House Co-Vice Chair
Rep. Greg Smith, House Co-Vice Chair

To: Capital Construction Subcommittee

From: Tom MacDonald/Doug Wilson, Legislative Fiscal Office

Date: March 3, 2020

Subject: BILL HB 4146 – Relating to Employees at Public Institutions of Higher Education -- Work Session Recommendations

HB 4146 provides funding to the Oregon Health Authority's Oregon Educators Benefits Board (OEBB) to provide employee-only health coverage to part-time faculty at the State's public universities and community colleges starting October 1, 2020. To be eligible, the public university part-time faculty must have worked for at least 600 hours in the previous year at one or more universities. ORS 238A.142 states that community college employees meet the 600-hour requirement if they are employed 0.375 FTE for a 12-month appointment and 0.50 FTE for a nine-month appointment.

Under the bill, the employee is responsible for 10% of the insurance premium while the remaining 90% of the premium is paid by OEBB from state funds deposited in the newly established Part-Time Faculty Insurance Fund. The bill, with the recommended amendment, provides \$5.4 million General Fund to the Fund. If the OEBB board determines that the amount of state funding will be insufficient, it may change the percent of premium that is the responsibility of the employee.

A public university or community college may not increase the eligibility requirements for existing benefit plans available to part-time faculty as of the effective date of the bill and must continue to provide the benefit.

The -1 amendment appropriates \$5,350,950 General Fund for the payment of the 90% of the insurance premium. In addition, \$8,612,752 Other Funds expenditure limitation is provided to OHA for the premium payments out of the Part-Time Faculty Insurance Fund (both the State share and the employee share), resources for two positions (0.76 FTE), information systems costs, and the impact on benefit plans of all OEBB participants as a result of adding this group to the OEBB pool.

Recommended Changes

LFO recommends adoption of the -1 amendment.

MOTION: I move adoption of the -1 amendment to House Bill 4146. (VOTE)

Final Subcommittee Action

LFO recommends that HB 4146, as amended by the -1 amendment, to be moved to the Ways and Means Full Committee.

MOTION: I move HB 4146, as amended, to the Full Committee with a do pass recommendation. (VOTE)

Carriers

Full Committee: _____

House Floor: _____

Senate Floor: _____