

## SB 551 STAFF MEASURE SUMMARY

### Senate Committee On Education

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**Action Date:** 03/01/21

**Action:** Do pass and requesting referral to Ways and Means.

**Vote:** 3-2-0-0

**Yeas:** 3 - Dembrow, Gelser, Gorsek

**Nays:** 2 - Robinson, Thomsen

**Fiscal:** Fiscal impact issued

**Revenue:** No revenue impact

**Prepared By:** Matt Perreault, LPRO Analyst

**Meeting Dates:** 2/22, 3/1

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#### WHAT THE MEASURE DOES:

Requires that part-time faculty of public institutions of higher education pay 10 percent of health insurance premium for employee benefit plans unless otherwise provided by collective bargaining. Requires that part-time faculty receive health care benefits only in manner specified. Requires state to pay remainder of health insurance premium from funds appropriated to Oregon Educators Benefit Board. Establishes Part-Time Faculty Insurance Fund in State Treasury and specifies requirements. Appropriates moneys to Oregon Educators Benefit Board from General Fund for Part-Time Faculty Insurance Fund. Allows board to modify percentage of premium paid by part-time faculty if funds are insufficient. Requires that institutions that previously provided health care benefits to part-time faculty must continue to provide benefits and may not change or raise eligibility requirements. Provides that savings realized by institutions as a result of changes be considered employment relations for collective bargaining. Requires that changes apply to health benefit plans offered to part-time faculty by October 1, 2021 unless otherwise provided by collective bargaining or other contracts. Allows Oregon Educators Benefit Board to take any actions necessary to implement changes by rule. Declares emergency, effective on passage.

#### ISSUES DISCUSSED:

- Previous legislative action
- Reliance on part-time faculty by higher education institutions
- Need for increased access to health care during COVID-19 pandemic
- Difficulty of tracking benefit eligibility for faculty who teach at multiple institutions

#### EFFECT OF AMENDMENT:

No amendment.

#### BACKGROUND:

Since 2009, Oregon law has provided eligibility for part-time faculty members at public institutions of higher education for the same health care benefits as their full-time counterparts, on the condition that the part-time faculty member is eligible for the Public Employees Retirement System by teaching at one or more public institutions in the prior year. However, part-time faculty must pay the full cost of the insurance premium, unless otherwise provided by an institution's policies or collective bargaining agreements. Public institutions of higher education may choose to provide group health insurance benefits to employees provided by the Public Employees' Benefits Board or elect to offer an alternative through the insurance exchange established under the federal Affordable Care Act.

Senate Bill 113 (2015) directed the Higher Education Coordinating Commission to convene a work group of stakeholders to discuss and study the issue of providing subsidized health care benefits to part-time faculty members. That work group offered several possible policy options for expanding access to subsidized health care

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benefits for part-time faculty members.

Senate Bill 551 requires part-time faculty of public institutions of higher education to pay 10 percent of health insurance premiums for employee benefit plans while the state pays the remainder, unless previously covered by a collective bargaining agreement, and specifies the mechanisms by which this will be provided.