

Enrolled Senate Bill 551

Sponsored by Senator DEMBROW, Representative MCLAIN, Senators LIEBER, WAGNER; Senators GORSEK, KENNEMER, Representatives ALONSO LEON, BYNUM, CAMPOS, DRAZAN, EVANS, FAHEY, HOLVEY, HUDSON, MARSH, MEEK, NERON, NOSSE, REARDON, SMITH DB, SOLLMAN, VALDERRAMA, WILLIAMS (Presession filed.)

CHAPTER

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)(a) *[Subject to ORS 352.237 and any group health and welfare insurance benefit plan developed under ORS 352.237,]* **Except as provided in paragraph (b) of this subsection,** a part-time faculty member at a public institution of higher education is eligible for the same **employee-only** health care benefits as full-time faculty members 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]* **working at a level equal to at least half of a full-time equivalent employee** either at a single public institution of higher education or in aggregate at multiple public institutions of higher education during **at least three of the four previous academic terms** *[the prior year]*.

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

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

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

(B) Is responsible for:

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

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

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

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

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

(b) In order to receive health care benefits under this section, a part-time faculty member must provide the home public institution of higher education with all information necessary for the institution to determine the eligibility of the part-time faculty member to receive health care benefits under this section.

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

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

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

(b) The commission shall use moneys from the Part-Time Faculty Insurance Fund established under section 4 of this 2021 Act to fully reimburse each public institution of higher education for all documented costs requested by the institution under this subsection, except for any costs described in subsection (3) of this section.

(5) Unless otherwise provided for by collective bargaining, 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 Higher Education Coordinating Commission may adopt rules necessary to implement subsection (4) of this section.

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

(1) May not increase the eligibility requirements that must be met by a part-time faculty member who is not eligible for health care benefits under the amendments to ORS 350.355 by section 1 of this 2021 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 care benefits under the amendments to ORS 350.355 by section 1 of this 2021 Act.

SECTION 3. 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 2021 Act are considered employment relations for purposes of collective bargaining under ORS 243.650 to 243.782.

SECTION 4. 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, allocated, 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 Higher Education Coordinating Commission for the purpose of reimbursing public

institutions of higher education for the cost of paying premiums for health benefit plans for part-time faculty under ORS 350.355.

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

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

(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 2021 Act shall prevail over the amendments to ORS 350.355 by section 1 of this 2021 Act.

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

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

Passed by Senate June 24, 2021

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Lori L. Brocker, Secretary of Senate

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Peter Courtney, President of Senate

Passed by House June 25, 2021

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Tina Kotek, Speaker of House

Received by Governor:

.....M.,....., 2021

Approved:

.....M.,....., 2021

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Kate Brown, Governor

Filed in Office of Secretary of State:

.....M.,....., 2021

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Shemia Fagan, Secretary of State