

# Senate Bill 551

Sponsored by Senator DEMBROW, Representative MCLAIN; 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 **as introduced**.

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 for employee 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 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 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) [*Subject to ORS 352.237 and any group health and welfare insurance benefit plan de-*  
7 *veloped under ORS 352.237,*] A part-time faculty member at a public institution of higher education  
8 is eligible for the same health care benefits as full-time faculty members if the part-time faculty  
9 member is eligible for membership in the Public Employees Retirement System or another plan au-  
10 thorized under ORS chapter 238 or 238A by teaching either at a single public institution of higher  
11 education or in aggregate at multiple public institutions of higher education during the prior year.

12 (2)(a) **Except as provided in paragraph (b) of this subsection,** a part-time faculty member at  
13 a public institution of higher education shall pay all insurance premiums for health care benefits  
14 unless otherwise provided for by the policy of the institution or by collective bargaining at the in-  
15 stitution.

16 (b) **Unless otherwise provided for by collective bargaining, a part-time faculty member**  
17 **at a public institution of higher education shall pay 10 percent of the insurance premiums**  
18 **for health benefit plans for employee-only coverage.**

19 (3) **The state shall pay, out of funds appropriated to the Oregon Educators Benefit Board**  
20 **by the Legislative Assembly, for the cost of the insurance premiums for health benefit plans**  
21 **described in subsection (2)(b) of this section that are not paid by a part-time faculty member.**

**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 (4)(a) Prior to each annual open enrollment period during which part-time faculty mem-  
 2 bers may select health benefit plans, the board shall determine whether the board has re-  
 3 ceived sufficient appropriations to make the payments described in subsection (3) of this  
 4 section.

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

6 (A) A public institution of higher education is not required to provide moneys for the cost  
 7 of the insurance premiums for health benefit plans described in subsection (3) of this section;  
 8 and

9 (B) The board may, to the extent the board determines is necessary, increase the per-  
 10 centages specified in subsection (2)(b) of this section that a part-time faculty member is re-  
 11 quired to pay to receive a health benefit plan.

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

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

19 **SECTION 2.** A public institution of higher education that, on the effective date of this  
 20 2021 Act, provided health care benefits to part-time faculty members who are not eligible for  
 21 health benefit plans under the amendments to ORS 350.355 by section 1 of this 2021 Act:

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

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

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

32 **SECTION 4.** The Part-Time Faculty Insurance Fund is established in the State Treasury,  
 33 separate and distinct from the General Fund. Interest earned by the Part-Time Faculty In-  
 34 surance Fund must be credited to the fund. The fund consists of moneys appropriated, allo-  
 35 cated, deposited or transferred to the fund by the Legislative Assembly or otherwise and  
 36 interest earned on moneys in the fund. The moneys in the fund are continuously appropri-  
 37 ated to the Oregon Educators Benefit Board for the purpose of paying premiums for health  
 38 benefit plans for part-time faculty under ORS 350.355.

39 **SECTION 5.** There is appropriated to the Oregon Educators Benefit Board, for the  
 40 biennium beginning July 1, 2021, out of the General Fund, the amount of \$\_\_\_\_ for deposit  
 41 in the Part-Time Faculty Insurance Fund established in section 4 of this 2021 Act, for the  
 42 purposes specified in section 4 of this 2021 Act.

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

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

4           **SECTION 7.** **The Oregon Educators Benefit Board shall, before the applicability date**  
5 **specified in section 6 of this 2021 Act, take any actions necessary to implement the amend-**  
6 **ments to ORS 350.355 by section 1 of this 2021 Act on the applicability date specified in sec-**  
7 **tion 6 of this 2021 Act.**

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

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