

Measures Heard SB 52 SB 55 SB 57

SENATE COMMITTEE ON LABOR

January 21, 1991                      Hearing Room 50 3:00 p.m.                      Tape 2 MEMBERS  
PRESENT: SEN. GRATTAN KERANS, CHAIR SEN. PETER BROCKMAN SEN. BOB  
KINTIGH MEMBERS EXCUSED: SEN. LARRY HILL SEN. BOB SHOEMAKER

STAFF PRESENT: ANNETTE TALBOTT, COMMITTEE COUNSEL ROBERTA WHITE,  
COMMITTEE ASSISTANT WITNESSES: JIM McINTOSH, DEPUTY  
ADMINISTRATOR/MANAGER, STATE EMPLOYEES BENEFIT BOARD ART JAMES, SENIOR  
PERSONNEL ANALYST, EXECUTIVE DEPARTMENT, PERSONNEL/LABOR RELATIONS  
DIVISION . These minutes contain materials which paraphrase and/or  
summarize statements made during this session. Only text enclosed in  
quotation marks report a speaker's exact words. For complete contents of  
the proceedings, please refer to the tapes.

TAPE 2, SIDE A

002 SENATOR KERANS called the meeting to order at 3:06.

SB 52 - DENTAL PLAN BENEFITS FOR RETIRED STATE EMPLOYEES, PUBLIC HEARING

011 JIM MCINTOSH, STATE EMPLOYEES BENEFITS BOARD: (EXHIBIT A)  
-Details Exhibit A. 042 CHAIR KERANS: If we pass the legislation  
would that then authorize you at some point to move from a self-paid to  
a partial pay or some other kind of arrangement through contract or  
agreement and shift some cost to the general fund? Senate Committee on  
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McINTOSH: SEBB does not have the authority to make a decision about  
state funds or contributions towards those plans so it would not be a  
SEBB decision, it would be either a legislative or an executive branch  
decision.

048 CHAIR KERANS: Someone would have to come back to the legislature  
and say please authorize some other kind of financial arrangement  
between the retirees, SEBB and PERS on the dental coverage? McINTOSH:  
That would be my understanding. 054 CHAIR KERANS: How many people  
will be affected by this measure?

McINTOSH: There are currently 702 retirees who are covered under PERS  
who have subdental plans.

CHAIR KERANS: Can we assume that this number will grow?

McINTOSH: Most of the retirees who are opting for that PERS subsidy have  
already done so, so there won't be any significant shift from those  
people currently covered.

060 CHAIR KERANS: They just come back to you and ask for self-paid  
premiums for the dental coverage? McINTOSH: That's correct. SENATOR  
KINTIGH: How much will the monthly premium be? McINTOSH: The premium for  
one-party coverage is \$14.85 per month, for two party it is \$35.58 and  
for three or more it is \$46.59.

TAPE 2, SIDE A

SB 55 - AUTHORIZES STATE EMPLOYEES' BENEFIT BOARD TO GRANT CERTAIN

EMPLOYEE BENEFITS BY RULE. PUBLIC HEARING

074 McINTOSH: (EXHIBIT B) -Details Exhibit B. ANNETTE TALBOTT, LEGAL COUNSEL: Mr. McIntosh pointed out to me and the same point was made on the earlier bill, that SEBB is not allowed to actually authorize payment of the pro rata share, but this bill would allow that if there were monies and other decisions were made in that regard. 101CHAIR

KERANS: Would you have to go elsewhere to get the state to come up with its contribution on a sliding scale as a person approached half time?

These minutes contain materials which paraphrase and/or summarize statements made during the hearing. Only text enclosed in quotation marks report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes. - Senate Committee on Labor January 21, 1991- Page 3

McINTOSH: That's correct. The interest of the SEBB is simply to make the plan available, and that can be through self-pay or state contributions, but the decision for contributions would again be a separate issue.

SENATOR KINTIGH: Are these people permanent part-time or temporary part-time employees? What is the exact status of these employees?

112 McINTOSH: We have people who are in part-time categories who are both permanent and temporary and seasonal employees. The purpose of the SEBB is to make a program available to permanent part-time employees.

SENATOR KINTIGH: What is the cut-off?

McINTOSH: It might go down as far as 32 hours per month, but I am not sure how low it goes. The purpose is to make health insurance accessible for people who do not have it elsewhere. As long as the plan can sustain itself, it would be reasonable to allow anyone who is working part-time on a permanent basis to participate.

CHAIR KERANS: At some point people reach the level where the income reaches the amount of the premium, and people end up working for health care.

137 McINTOSH: That is close to their intent, except that they would not necessarily look for money to finance it. Instead, they will try to develop a less expensive alternative so that people who could purchase insurance individually would be able to do so through SEBB and purchase a better product than they could buy elsewhere. CHAIR KERANS: Does SEBB anticipate a state contribution. McINTOSH: The bill does not make provisions one way or the other. 148 CHAIR KERANS: Reads Staff Measure Summary (EXHIBIT C).

ANNETTE TALBOTT: Explains why she summarized the bill in this manner.

153 McINTOSH: Explains why the bill would not require a contribution by the state.

TAPE 2, SIDE A

SB 57 - EXEMPTS REEMPLOYMENT ASSISTANCE FUNDS FROM EXPENDITURE LIMITATION. PUBLIC HEARING. 170 ART JAMES, SENIOR PERSONNEL ANALYST, EXECUTIVE DEPARTMENT: PERSONNEL/LABOR RELATIONS DIVISION (EXHIBIT D)

-Details Exhibit D. 201 CHAIR KERANS: Somewhere in the bill there is the phrase, 'notwithstanding'? Senate Committee on Labor January 20, 1991 - Page 4

JAMES: That is correct. The actual language is "that shall be available for expenditure by the agency as a continuous appropriation and shall be outside the biennial expenditure limitation imposed on the agency by the legislative assembly".

CHAIR KERANS: The bill does not cite the ORS, simply the expenditure limitation. JAMES: That's correct.

218 CHAIR KERANS: Public Hearing closed on these three bills.

TAPE 2, SIDE A SB 52 AND SB 55 - WORK SESSION CHAIR KERANS: Calls for motions on the three bills - SB 52 and SB 55 will go to the floor, SB 57 will go to the Ways and Means Committee.

234 SENATOR BROCKMAN: Requests holding over SB 57 for the time being.

237 MOTION: SENATOR BROCKMAN moves SB 52 to the floor with a "do pass" recommendation. VOTE: Hearing no objection, the motion carries.

244 MOTION: SENATOR KINTIGH moves SB 55 to the floor with a "do pass" recommendation. VOTE: Hearing no objection, the motion carries.

258 CHAIR KERANS adjourns the meeting at 3:24.

Submitted by: Talbott                      Reviewed by: Roberta White                      Annette  
Assistant Legal Counsel

EXHIBIT LOG:

A - Testimony on SB 52 - Jim McIntosh - 1 Page B - Testimony on SB 55 - Jim McIntosh - 1 Page C - Staff Measure Summaries - SB 52, 55 & 57 - Staff - 3 pages D - Testimony on SB 57 - Art James - 1 Page