

BILL ANALYSIS

Senate Research Center

H.B. 2083
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Finance
5/8/2009
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Central to the debate about funding community college employee health benefits is the proportional cost-sharing between the state and the institutions, also known as "proportionality." Currently, the notion of proportionality is not defined in statute but rather lies in a rider within the General Appropriations Act. The rider requires that proportionality be applied to agencies but includes the qualifying language, "unless otherwise provided." The controversy lies in the interpretation of proportionality and determining which community college employees are eligible to have their group health insurance benefits paid by the state. All public institutions of higher education and state agencies determine the proportional cost-sharing split for employee benefit costs. However, in the past, the legislature has not applied proportional cost-sharing to fund the state's share of community college employee benefits. This bill would define which community college employees are eligible to have benefits paid for by the state.

H.B. 2083 amends current law relating to determination of state contributions for participation by certain junior college employees in the state employees group benefits program.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter G, Chapter 1551, Insurance Code, by adding Section 1551.3111, as follows:

Sec. 1551.3111. AMOUNT OF STATE CONTRIBUTION FOR CERTAIN JUNIOR COLLEGE EMPLOYEES. (a) Requires the board of trustees of the Employees Retirement System of Texas, in determining the amount to be certified under Section 1551.311 (Amount of State Contribution), to include eligible public junior college employees.

(b) Provides that for purposes of this section, a public junior college employee is eligible if the employee is otherwise eligible to participate in the group benefits program and is an instructional or administrative employee whose salary may be fully paid from funds appropriated under the General Appropriations Act, regardless of whether the salary is actually paid from appropriated funds.

(c) Requires that the number of eligible employees included for each college in each biennium, in determining the amount described in Subsection (a), be adjusted in proportion to the change in student enrollment at each college during the reporting period, except that a college that experiences a decline in student enrollment is authorized to petition to maintain the number of eligible employees at the same level as the prior biennium.

SECTION 2. Effective date: upon passage or September 1, 2009.