## **BILL ANALYSIS**

Senate Research Center 81R5065 EAH-D

S.B. 615 By: Shapleigh Intergovernmental Relations 4/13/2009 As Filed

## **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Nationally, 62.2 percent of Americans have employer-sponsored health insurance. In Texas, that figure is only 52.2 percent, which ranks the state as 47th in the country for the number of adults with employer-sponsored health insurance.

Due to the rising cost of health care, increasing numbers of employers are opting not to provide insurance for their employees, which forces more Texans to pay for coverage out-of-pocket. Texas already has the highest rate of uninsured residents in the country, and uninsured Texans are more likely to seek emergency medical care, placing the resulting financial burden on local taxpayers.

As proposed, S.B. 615 allows a county to give preference in purchasing decisions to vendors that provide health benefits to their employees as long as the vendor's bid is within 10 percent of the bid of a vendor who does not provide health insurance for its employees.

## **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 Section 262.0271(b), Local Government Code, as follows:

(b) Authorizes the commissioners court of the county, in purchasing items under this chapter through a competitive bidding process, if a county receives one or more bids from a bidder who provides reasonable, rather than comparable, health insurance coverage to its employees and requires a subcontractor the bidder intends to use to provide reasonable, rather than comparable, health insurance coverage to the subcontractor's employees and whose bid is within 10, rather than five, percent of the lowest bid price received by the county from a bidder who does not provide or require reasonable, rather than comparable, health insurance coverage, to give preference to the bidder who provides and requires reasonable, rather than comparable, health insurance coverage.

SECTION 2. Repealer: Section 262.0271(a) (defines "comparable health insurance coverage"), Local Government Code.

SECTION 3. Makes the application of this Act prospective.

SECTION 4. Effective date: September 1, 2009.