MEDICAL CONTRIBUTION BILL INTRODUCED IN LEGISLATURE

A bill which would make a state contribution towards the payment of contracts for medical, surgical, hospital and related services and supplies part of the employee compensation plan has been introduced at the request of OSEA. Sponsors of the bill, (HB 1549) are Representatives Morris Crothers (R-Marion), a Salem physician, and Norman Howard (D-Multnomah), a sponsor of state contribution bills in past legislative sessions.

OSEA's Board of Directors, meeting in Salem on January 23 voted unanimously to propose an alternative to HB 2097, a contribution bill introduced at the request of the Department of Finance and Administration. The F and A bill, which appears to have no support outside of the department and no chance of passage, provides for the state contribution only on contracts entered into by the Civil Service department. The bill would not confine the contribution to health plans but would allow it to apply to other forms of insurance.

State employees have expressed fears that HB 2097 would result in only one medical-hospital plan for all state employees, and present carriers have been concerned that they would not be considered or could not qualify under a one-plan arrangement. OSEA favors a free choice for employees among competing plans and a contribution limited to medical-hospital plans.

The influential Legislative Fiscal committee has recommended against any contribution appropriation this session, stating that the recommendation contained in the Governor's budget showed "no determination of need, no study of the problems of transferring existing coverage to a single carrier, no study of the method of allocating the employer contribution, and no projection of the ultimate costs or method of financing."

OSEA's bill would make the employer contribution part of compensation plans for the classified, unclassified and exempt services, allowing the amount of contribution to be adjusted each biennium along with salaries. The Civil Service department would not contract for but would approve plans. In the event that the legislature agreed with its fiscal committee regarding lack of planning or for other reasons refused an appropriation at this time, HB 1549 could be enacted and the contribution and procedure submitted to the legislature or to the Emergency Board as part of the next proposed compensation plan.

Employer contributions towards insurance premiums in other governmental areas and private industry have invariably been confined to medical-hospital or health and welfare plans in the initial stages, on the justification that the prime benefit to an employer is the better health of his employees. Some employers later added life insurance contributions as a fringe benefit.

WAYS & MEANS HEARS ENRIGHT

OSEA Executive Secretary Thomas C. Enright testified before the Salary and Wages subcommittee of the Ways and Means committee on February 16 in support of HB 1247. The bill would allow the Board of Higher Education to assist its employees to supplement their PERS retirement benefits through contracts with private insurance or annuity companies by matching contribution at PERS rates on academic salaries in excess of $4,800.

Spokesmen for the Board of Higher Education, who sponsored the bill, say that many states allow a state contribution to TIAA-CREF, a nonprofit annuity company sponsored for educators by the Carnegie Foundation. This allows educators to move from one state to another without disrupting their retirement program, and participation by the State of Oregon, as recommended by Governor Hatfield in his budget message, would help in recruitment of academic employees.

Enright told the subcommittee that OSEA in its General Council had approved without opposition, a resolution supporting the principles of the bill. He said that he had heard no opposition to the proposal from PERS, and no fears expressed that the legislation would have an adverse effect on the retirement system for other employees.

"If the academic employees simply contribute into another system at the same rate at which they are entitled to contribute to PERS and the state matches the contribution as with PERS contribution, there is no unfairness to other employees. Presumably the academic employee would receive no more benefits than the employee who contributes to PERS, except for the mobility factor. If he does, the system would serve as a valuable yardstick of the kind of job PERS is doing," Enright said.

MILEAGE BILL

(Continued from Page 1)

Hansell, Sidney Liken (D-Douglas), George Flitcraft (R-Klamath, Lake) and Senators Thiel, L. W. Newbry (R-Jackson), and E. D. Potts (D-Josephine).

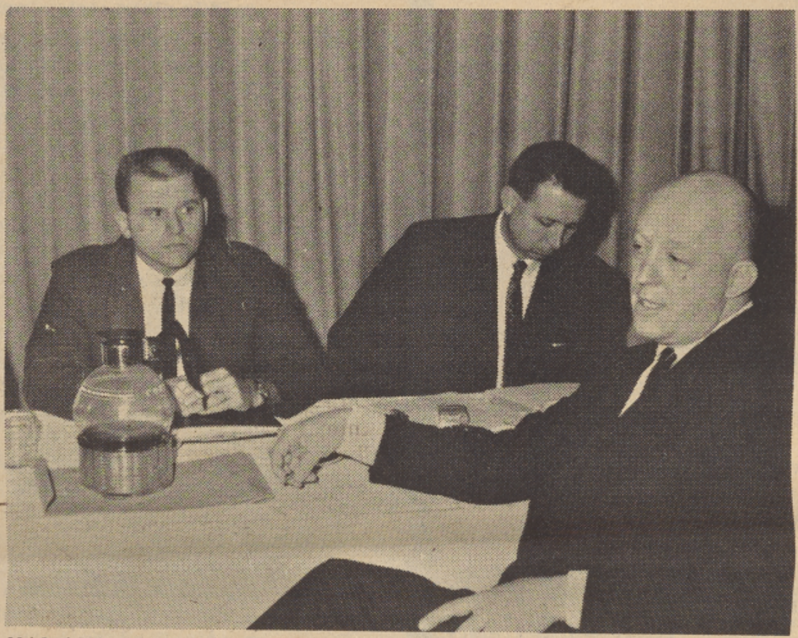
Those voting against the bill on the floor of the House were: J. E. Bennett (D-Multnomah), John Dellenback (R-Jackson), Flitcraft, Hansell, Leiken, Harold Lewis (D-Yamhill), Fred Meek (R-Multnomah), Katherine Musa (D-Hood River, Wasco), Juanita Orr (D-Clackamas), W. S. Ouderkirk (R-Lincoln), Joe Rogers (R-Polk), and Robert Smith (R-Harney, Malheur).

HAPPY BIRTHDAY

The State of Oregon celebrated its 106th birthday Sunday, February 14, at a public ceremony in the Capitol. The rites were held in the House of Representatives chambers with senators, representatives and their families, and other dignitaries seated on the House floor. The side aisles and gallery were set aside for the public.

Among the guests was Senator Maurine B. Neuberger, D-Oregon. The other members of Oregon's congressional delegation were unable to attend.

OSEA PRESIDENT R.M. "Hoad" Smith, left, and State Highway Engineer Forrest Cooper at the Board of Directors meeting in Salem on January 23. Cooper spoke briefly on the state's retirement system.



HAL ADAMS, Director of the Law and Legislation Committee, discuss OSEA's Collective Bargaining position paper with the Board of Directors during the January meeting. Everett B. Stiles, Wage and Salary Analyst, and George Gearhart, Director of Public Relations, listens.

HELEN TOWNE, Director of District 6, had a short discussion with Jack Schoonover, Insurance Director, during a break in the Board of Directors meeting held in Salem January 23.

IT'S A GIRL

Cigars and candy were passed out at headquarters recently. Reason: A baby girl born to Tom and Edith Enright on Tuesday, February 2, at Salem General Hospital.

The new arrival was named Kerry Ann. She joins a sister, Kevan, age 16 months.

3 BILLS GIVEN DO-PASS VOTES

The Senate Financial Affairs committee voted two bills (SB 196 and 199) out of committee and onto the Senate floor with "do-pass" recommendations on February 18. Another bill—SB 197—was also given a favorable recommendation but not until it had been amended by the committee. It will be sent to the floor of the Senate after the amendments have been printed.

All three bills relate to the investment of money from PERS funds, and all three were introduced at the request of the PERS Board.

The committee also gave favorable consideration to SB 222, but postponed final action on the bill. This bill would allow state employees to build up their retirement benefits by permitting a lump sum contribution to the fund. The amount would be based on the difference between the contributions that the employees were able to make during the years 1946-1956 and the amount they are able to make under the present law.

HOLIDAYS

(Continued from Page 1)

Washington) would take away election day holidays but provides that supervisors might allow two hours or less time off for voting. HB 1540, introduced by Representative Sam Johnson (R-Crook, Deschutes, Jefferson) would make Feb. 14, Oregon Statehood Day, a legal holiday, but take away Feb. 12 and 22, Lincoln's and Washington's birthday. Johnson's bill also deletes as legal holidays those days on which an election is held throughout the state.

Enright said OSEA favors HB 1153, introduced by Representative Norman Howard (D-Multnomah). This bill provides that whenever a holiday falls on Saturday or Sunday, the holiday shall be celebrated on Monday. However, Enright said, OSEA would recommend that the bill be amended to provide for celebration of Saturday holidays on Friday in conformity with the Federal practice.