

1 HB40
2 125635-2
3 By Representative Lee
4 RFD: State Government
5 First Read: 07-FEB-12
6 PFD: 12/01/2011

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ENROLLED, An Act,

To amend Section 36-29-14 of the Code of Alabama 1975, relating to the election of certain agencies to be eligible for health insurance coverage under the State Employees' Insurance Board; to allow United Ways of Alabama and its member United Ways to elect to participate in the state health insurance coverage.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. Section 36-29-14 of the Code of Alabama 1975, is amended to read as follows:

"§36-29-14.

"(a) Any agency of the state, or any governmental entity, body, or subdivision thereto, any county, any municipality, any municipal foundation, any fire or water district, authority, or cooperative, any regional planning and development commission established pursuant to Sections 11-85-50 through 11-85-73, that is not and was not for the 12 months immediately preceding the date of application to participate in any plan created pursuant to the provisions of this article a member of an existing government sponsored health insurance program, formed under the provisions of Section 11-26-2, the Association of County Commissions of Alabama or the Alabama League of Municipalities, the Alabama Retired State Employees' Association, the Alabama State

1 Employees Credit Union, Easter Seals Alabama, Alabama State
2 University, the Alabama Rural Water Association, Rainbow
3 Omega, Incorporated, The Arc of Alabama, Incorporated, and any
4 of the affiliated local chapters of The Arc of Alabama,
5 Incorporated, United Ways of Alabama and its member United
6 Ways, any railroad authority organized pursuant to Chapter 13,
7 Title 37, or any solid waste disposal authority organized
8 pursuant to Chapter 89A, Title 11, by resolution legally
9 adopted to conform to rules prescribed by the State Employees'
10 Insurance Board, may elect to have its officers, members,
11 employees, and retired employees become eligible for health
12 insurance coverage under the State Employees' Insurance Board
13 without any liability to the state or the State Employees'
14 Health Insurance Plan.

15 "(b) Acceptance of the employees identified in
16 subsection (a) shall be optional with the State Employees'
17 Insurance Board.

18 "(c) Employees, officers, members, and retirees who
19 are eligible for health insurance pursuant to this section
20 shall be entitled to coverage and benefits as designated by
21 the State Employees' Insurance Board.

22 "(d) Any portion of the cost of the insurance
23 coverage as determined by the State Employees' Insurance Board
24 for the employees, officers, members, and retirees and their

1 dependents pursuant to this section may be paid by the
2 employer.

3 "(e) The chief fiscal officer of each employer shall
4 remit to the State Employees' Insurance Board the amount of
5 premiums required for employee and dependent coverage under
6 this section. The employer shall furnish the necessary
7 information to the State Employees' Insurance Board.

8 "(f) The agreement of any employer to have its
9 employees, officers, members, and retirees to be covered under
10 the health insurance plan provided by the State Employees'
11 Insurance Board may be revoked only by complying with the
12 following provisions:

13 "The employer, by resolution of the governing body,
14 shall signify its intention and desire to withdraw from such
15 plan in writing and by delivering a copy of such resolution by
16 certified mail to the State Employees' Insurance Board no
17 later than six months prior to the effective date of
18 withdrawal. Any employer that withdraws from participation in
19 such plan shall be responsible for paying its claims incurred
20 prior to the date of withdrawal, but not reported and paid
21 prior to the date of withdrawal. The withdrawing employer
22 shall also be liable for interest which will accrue at a rate
23 of one and one-half percent per month on any monies due to the
24 State Employees' Insurance Board which are over 30 days past
25 due. Any organization which provides or administers health

1 insurance benefits through the Local Government Health
2 Insurance Program shall not provide or administer health
3 insurance benefits to any entity which withdraws from the
4 Local Government Health Insurance Program for a period of two
5 years from the effective date of withdrawal.

6 "(g) The State Employees' Insurance Board shall
7 promulgate such rules and regulations as may be necessary for
8 the effective administration of the provisions of this
9 section.

10 "(h) In addition, the State Employees' Insurance
11 Board shall engage such actuarial and other special services
12 as shall be required to transact the business of the board.
13 The compensation of all persons engaged by the board, with the
14 exception of clerical employees who shall be employed under
15 the Merit System Act, and all other expenses of the board
16 necessary for the operation of the board shall be paid at such
17 rates and in such amounts as the board shall approve."

18 Section 2. This act shall become effective
19 immediately following its passage and approval by the
20 Governor, or its otherwise becoming law.

