



February 29, 2016

**ENGROSSED
SENATE BILL No. 335**

DIGEST OF SB 335 (Updated February 29, 2016 11:43 am - DI 116)

Citations Affected: IC 20-26.

Synopsis: School corporation health insurance. Specifies that a school corporation may assign wages and pay premiums for collectively bargained health insurance and is not required to make the collectively bargained health insurance available to all school corporation employees.

Effective: July 1, 2016.

Becker, Tomes, Mrvan

(HOUSE SPONSOR — BACON, TORR, RIECKEN, MCNAMARA)

January 7, 2016, read first time and referred to Committee on Insurance & Financial Institutions.

January 25, 2016, amended, reported favorably — Do Pass.

January 28, 2016, read second time, ordered engrossed. Engrossed.

February 1, 2016, read third time, passed. Yeas 50, nays 0.

HOUSE ACTION

February 9, 2016, read first time and referred to Committee on Education.

February 29, 2016, reported — Do Pass.

ES 335—LS 6756/DI 97



February 29, 2016

Second Regular Session 119th General Assembly (2016)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2015 Regular Session of the General Assembly.

ENGROSSED SENATE BILL No. 335

A BILL FOR AN ACT to amend the Indiana Code concerning education.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 20-26-17-5, AS AMENDED BY P.L.233-2015,
2 SECTION 175, IS AMENDED TO READ AS FOLLOWS
3 [EFFECTIVE JULY 1, 2016]: Sec. 5. **(a)** The following apply with
4 respect to a school corporation's employee health coverage program:
5 (1) If the school corporation pays a commission, a bonus, an
6 override, a contingency fee, or any other compensation to an
7 insurance producer or other adviser in connection with the health
8 coverage, the school corporation shall:
9 (A) specify the commission, bonus, override, contingency fee,
10 or other compensation in the school corporation's annual
11 budget fixed under IC 6-1.1-17; and
12 (B) make the information specified under clause (A) available
13 to the public upon request.
14 (2) The school corporation may allow:
15 (A) members of the school corporation's governing body; or
16 (B) an attorney of the school corporation's governing body;
17 to be covered under the school corporation's employee health

ES 335—LS 6756/DI 97



- 1 coverage program.
- 2 (3) **Except as provided in subsection (b)**, all individuals insured
- 3 under the school corporation's employee health coverage
- 4 program:
- 5 (A) are eligible for the same coverage as all other individuals
- 6 insured under the program; and
- 7 (B) to the extent allowed by federal law, may pay different
- 8 amounts for the coverage.
- 9 **(b) A school corporation:**
- 10 **(1) may:**
- 11 **(A) make an assignment of wages upon the request of a**
- 12 **school corporation employee in accordance with**
- 13 **IC 22-2-6-2 to pay the school corporation employee's share**
- 14 **of premiums for health insurance that is available to the**
- 15 **school corporation employee as a result of a collective**
- 16 **bargaining agreement:**
- 17 **(i) negotiated with the school corporation by a labor**
- 18 **organization; and**
- 19 **(ii) under which the school corporation employee is**
- 20 **covered; and**
- 21 **(B) pay the school corporation's share of premiums for the**
- 22 **bargained health insurance; and**
- 23 **(2) is not required to make the bargained health insurance**
- 24 **available to all school corporation employees.**



COMMITTEE REPORT

Madam President: The Senate Committee on Insurance and Financial Institutions, to which was referred Senate Bill No. 335, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Delete the title and insert the following:

A BILL FOR AN ACT to amend the Indiana Code concerning education.

Page 1, delete lines 1 through 17, begin a new paragraph and insert:

"SECTION 1. IC 20-26-17-5, AS AMENDED BY P.L.233-2015, SECTION 175, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016]: Sec. 5. **(a)** The following apply with respect to a school corporation's employee health coverage program:

(1) If the school corporation pays a commission, a bonus, an override, a contingency fee, or any other compensation to an insurance producer or other adviser in connection with the health coverage, the school corporation shall:

(A) specify the commission, bonus, override, contingency fee, or other compensation in the school corporation's annual budget fixed under IC 6-1.1-17; and

(B) make the information specified under clause (A) available to the public upon request.

(2) The school corporation may allow:

(A) members of the school corporation's governing body; or

(B) an attorney of the school corporation's governing body; to be covered under the school corporation's employee health coverage program.

(3) **Except as provided in subsection (b)**, all individuals insured under the school corporation's employee health coverage program:

(A) are eligible for the same coverage as all other individuals insured under the program; and

(B) to the extent allowed by federal law, may pay different amounts for the coverage.

(b) A school corporation:

(1) may:

(A) make an assignment of wages upon the request of a school corporation employee in accordance with IC 22-2-6-2 to pay the school corporation employee's share of premiums for health insurance that is available to the".



Page 2, delete lines 1 through 17.

Page 2, line 18, delete "will participate in coverage for health" and insert "**as a result of a collective bargaining agreement:**

(i) negotiated with the school corporation by a labor organization; and

(ii) under which the school corporation employee is covered; and

(B) pay the school corporation's share of premiums for the bargained health insurance; and

(2) is not required to make the bargained health insurance available to all school corporation employees."

Page 2, delete lines 19 through 42.

Delete page 3.

and when so amended that said bill do pass.

(Reference is to SB 335 as introduced.)

HOLDMAN, Chairperson

Committee Vote: Yeas 6, Nays 0.

COMMITTEE REPORT

Mr. Speaker: Your Committee on Education, to which was referred Senate Bill 335, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill do pass.

(Reference is to SB 335 as printed January 26, 2016.)

BEHNING

Committee Vote: Yeas 11, Nays 0

