

BILL ANALYSIS

Senate Research Center
79R9618 MCK-D

S.B. 1531
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State Affairs
4/5/2005
As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Currently, Texas has the highest rate in the nation of individuals without health insurance. A study published in 2002 found that over 68 percent of the uninsured persons in Texas were employed. As proposed, S.B. 1531 requires companies that contract with the state, and their subcontractors, to offer health insurance to their employees and their dependents. The bill requires companies that contract with the state to pay 50 percent of the cost of the employee's health insurance.

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 B, Chapter 2155, Government Code, by adding Section 2155.0771, as follows:

Sec. 2155.0771. HEALTH BENEFITS COVERAGE REQUIRED. (a) Prohibits a vendor from being awarded a state contract for goods or services that is subject to this subtitle or participate in the contract as subcontractor, including a contract for which purchasing authority is delegated to a state agency, unless the vendor provides health benefits coverage at least equivalent to a standard health benefit plan offered in accordance with Article 3.80, Article 20A.09N, or Chapter 1507, Insurance Code, to each full-time employee and the employee's dependents.

(b) Requires the vendor to pay 50 percent of the health insurance premiums for each full-time employee who participates in the insurance program.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2005.