

BILL ANALYSIS

Senate Research Center
80R8116 MCK-D

S.B. 1001
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State Affairs
4/3/2007
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

While Texas has experienced an increase in new jobs, the state has also experienced a steady increase in the number and percentage of Texans without health insurance. This may be due, in part, to many businesses finding health insurance too expensive to purchase for their employees. Statutory change to encourage increased private health insurance coverage through employers may help to lessen the number and percentage of uninsured Texans and to reduce the cost on the public to provide for those uninsured.

As proposed, S.B. 1001 requires all private businesses which seek to acquire a state government contract with a value greater than \$1 million to provide health insurance for certain employees and the employee's dependents.

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 with a value greater than \$1 million, including a contract for which purchasing authority is delegated to a state agency, unless the vendor provides health benefits coverage that is at least equivalent to basic coverage provided under the state employees group benefit program (insurance program) provided under Chapter 1551 (Texas Employees Group Benefits Act), Insurance Code, to each full-time employee and the employee's dependents.

(b) Requires the vendor to pay 100 percent of the health insurance premiums (premiums) for each full-time employee who participates in the insurance program and at least 50 percent of the premiums for each employee's dependent which the employee elects to be covered under the insurance program.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2007.