

HOUSE No. 2402

The Commonwealth of Massachusetts

PRESENTED BY:

Tom Sannicandro

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act establishing a Massachusetts state universities' part-time faculty health insurance trust Fund.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Tom Sannicandro</i>	<i>7th Middlesex</i>	<i>1/15/2015</i>

HOUSE No. 2402

By Mr. Sannicandro of Ashland, a petition (accompanied by bill, House, No. 2402) of Tom Sannicandro for legislation to establish a trust fund to be known as the state universities’ part-time faculty health insurance fund. Public Service.

The Commonwealth of Massachusetts

**In the One Hundred and Eighty-Ninth General Court
(2015-2016)**

An Act establishing a Massachusetts state universities' part-time faculty health insurance trust Fund.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

1 SECTION 1. Chapter 32A of the General Laws, as appearing in the 2014 Official
2 Edition, is hereby amended by inserting after section 27 the following sections:-

3 Section 28. The following words and phrases as used in the next section shall have the
4 following meanings:

5 “State Universities” shall mean Bridgewater State University, Fitchburg State University,
6 Framingham State University, the Massachusetts College of Art and Design, the Massachusetts
7 Maritime Academy, the Massachusetts College of Liberal Arts, Salem State University,
8 Westfield State University and Worcester State University;

9 “Part-time Faculty Employees” shall mean part-time employees of the state universities
10 engaged as faculty teaching one or more credit courses and who by virtue of that position are
11 unit members of either the Massachusetts State Colleges Association’s Day Bargaining Unit or

12 Division of Graduate and Continuing Education Bargaining Unit and who satisfy the eligibility
13 requirements of the federal Affordable Care Act and applicable state law requirements, if any.
14 For ACA purposes, the measured period, so called, for part-time faculty employees in any given
15 semester shall be from the first day of classes until the last day of final examinations for that
16 semester;

17 “Union” shall mean the Massachusetts Teachers Association/Massachusetts State
18 Colleges Association.

19 “Employer” shall mean the Board of Higher Education.

20 Section 29. (a) Notwithstanding any general or special law to the contrary, there is hereby
21 established and set up on the books of the commonwealth a trust fund to be known as the State
22 Universities’ Part-Time Faculty Health Insurance Fund, the purpose of which is to deposit, invest
23 and disburse amounts appropriated by the general court to fund all or a portion of the health
24 insurance premium expenses determined by the group insurance commission established for the
25 state universities’ active part-time faculty employees.

26 (b) There shall be credited to the fund any revenue from appropriations or other monies
27 authorized by the general court and specifically designated to be credited to the fund for the
28 purposes of paying, in whole or in part, the cost of health insurance premiums for part-time
29 faculty employees of the state universities. Money remaining in the fund at the end of the fiscal
30 year shall not revert to the General Fund.

31 (c) The trust fund shall be managed and overseen by the Commissioner of Higher
32 Education as trustee.

33 (d) Upon request of the group insurance commission established, the trustee may expend
34 amounts in the fund, without further appropriation, to pay the costs, in whole or in part, of health
35 insurance premiums for part-time faculty employees of the state universities, provided however,
36 that said group insurance commission shall remain responsible for administering the payment of,
37 determining the terms, conditions, schedule of benefits, carriers and eligibility for health care
38 benefits for part-time faculty employees.

39 (e) The trustee shall use the trust funds, including any earnings or interest accruing from
40 the investment of the trust funds, exclusively for the purpose of funding, in whole or in part, of
41 the health insurance premiums of part-time faculty employees, provided that the trustee may
42 make appropriations necessary to administer the fund; including the employment of
43 administrative, legal accounting, expert, consultative, actuarial and clerical assistance, the
44 purchase or lease of materials, supplies and equipment the trustee determines necessary in the
45 performance of his or her duties. In order to manage and expend funds from the trust, the trustee
46 shall appoint a three member funding authorization committee. The trustee or the trustee's
47 designee shall be a member and shall act as chairperson of the committee. One member of the
48 committee shall be appointed by the council of presidents of the state universities. One member
49 shall be appointed by the union. Subject to the approval of the funding authorization committee,
50 the amounts in the trust fund not needed for current disbursement may be invested and reinvested
51 consistent with the prudent investor rule and sections 3, 4, 5, 8 and 9 of chapter 203C of the
52 general laws. The trustee may employ any qualified bank, trust company, corporation, firm or
53 person to advise it on the investment of the fund and may pay for this advice and other services.

54 (f) The trustee shall keep true and accurate books of account and records of all
55 transactions of the fund and will cause such books to be audited by a certified public accountant

56 each fiscal year. The accountant shall be available to the employer and the union and shall
57 submit a final audit in writing to the board. All records of the fund, including transactions of the
58 fund, shall be public records as defined in clause twenty-sixth of section 7 of chapter 4 of the
59 general laws.

60 (g) Any and all obligations, duties and responsibilities of the trust fund and its trustee are
61 subject to additional, complete and identifiable appropriation by the general court and this
62 section shall not become effective unless appropriation to fully fund such section has been
63 enacted by the general court and allocated to the trust fund and its trustee by the Governor.

64 (h) If a civil action is brought against the trustee, the trustee shall be indemnified for all
65 expenses incurred in the defense of the action and shall be indemnified for damages if the claim
66 arose out of acts performed by the trustee while acting within the scope of the trustee's official
67 duties; provided, however, that the trustee shall not be indemnified for expenses incurred in the
68 defense of an action, or damages awarded in an action, in which there is shown to be a breach of
69 fiduciary duty, an act of willful dishonesty or an intentional violation of law by the trustee.

70 SECTION 2. This act shall take effect January 1, 2016.