

State of Arkansas  
90th General Assembly  
Regular Session, 2015

# A Bill

SENATE BILL 535

By: Senator J. Hendren

## For An Act To Be Entitled

AN ACT TO REQUIRE A SCHOOL DISTRICT TO INCREASE THE SCHOOL DISTRICT CONTRIBUTION TO EMPLOYEE HEALTH INSURANCE BY THE SAME AMOUNT THE SCHOOL DISTRICT INCREASES AN EMPLOYEE'S SALARY; AND FOR OTHER PURPOSES.

## Subtitle

TO REQUIRE A SCHOOL DISTRICT TO INCREASE THE SCHOOL DISTRICT CONTRIBUTION TO EMPLOYEE HEALTH INSURANCE BY THE SAME AMOUNT THE SCHOOL DISTRICT INCREASES AN EMPLOYEE'S SALARY.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:

SECTION 1. Arkansas Code § 6-17-1117(a)(2), concerning health insurance, is amended to read as follows:

(2) The minimum contribution rate under ~~this subsection (a) subdivision (a)(1) of this section~~ shall increase annually by the same percentage that the legislature increases the ~~salary and benefit component of the~~ per-student foundation funding amount under § 6-20-2305.

(3)(A) Unless exempt under subdivision (a)(5) of this section, the local contribution rate of a school district shall also increase by the same percentage that a school district increases the base salary for licensed personnel under the licensed salary schedule adopted by the school district.

(B) As used in this section, "local contribution rate" means the contribution amount a school district provides for health insurance



above the minimum contribution rate required under subdivision (a)(1) of this section.

(4) A change to the local contribution rate under subdivision (a)(3) of this section is effective for the plan year after the change to the licensed salary schedule is adopted by a school district.

(5) A school district is not required to increase the local contribution as directed under subdivision (a)(3) of this section if the school district:

(A) Is required to raise the base salary of licensed personnel due to an increase in the minimum teacher compensation schedule under § 6-17-2403;

(B) Has a participation rate of seventy-five percent (75%) or more of all eligible personnel participating in the public school employees' health insurance program; or

(C) Has a local contribution rate of one hundred twenty-five percent (125%) or more of the minimum contribution rate required under subsection (a) of this section.

**APPROVED: 04/02/2015**