

**Department of Planning and Budget  
2013 Fiscal Impact Statement**

**1. Bill Number:** SB 1089

<b>House of Origin</b>	<input type="checkbox"/>	Introduced	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Engrossed
<b>Second House</b>	<input type="checkbox"/>	In Committee	<input type="checkbox"/>	Substitute	<input checked="" type="checkbox"/>	Enrolled

**2. Patron:** Watkins

**3. Committee:** Passed Both Houses

**4. Title:** Health insurance program for local government employees and other political subdivisions

**5. Summary:** The bill removes the authority of centers for independent living and area agencies on aging to join the Local Choice Plan for their employees. The bill also makes technical changes to remove obsolete provisions.

**6. Budget Amendment Necessary:** No.

**7. No Fiscal Impact**

**8. Fiscal Implications:** The bill has no fiscal impact on the state health plan. It eliminates area agencies on aging and centers for independent living from including their employees in the Local Choice Plan. According to the Department of Human Resource Management the elimination of these private entities is necessary to ensure the Local Choice Plan is considered a governmental plan under the federal Employee Retirement Income Security Act (ERISA).

**9. Specific Agency or Political Subdivisions Affected:** Department of Human Resource Management.

**10. Technical Amendment Necessary:** No.

**11. Other Comments:** None.

**Date:** 2/19/13

**Document:** G:\GA Sessions\2013 Session\SB1089ER.docx