

3-14-95 Do Pass
S-3-27-95 Education
S-4-5-95 Do Pass

MAR 1 1995

COMMERCE - REGULATION

HOUSE FILE 238

BY DAGGETT

(p.967)
Passed House, Date 3/23/95 Passed Senate, Date 4/10/95 (p.1002)
Vote: Ayes 96 Nays 0 Vote: Ayes 49 Nays 0
Approved April 17, 1995

A BILL FOR

1 An Act relating to the joint purchase of group health benefits by
2 multiple school districts or area education agencies pursuant
3 to an intergovernmental agreement.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 238

1 Section 1. Section 279.12, Code 1995, is amended to read
2 as follows:

3 279.12 CONTRACTS -- TEACHERS -- INSURANCE -- EDUCATIONAL
4 LEAVE.

5 The board shall carry into effect any instruction from the
6 regular election upon matters within the control of the
7 voters, and shall elect all teachers and make all contracts
8 necessary or proper for exercising the powers granted and
9 performing the duties required by law, and may establish and
10 pay all or any part thereof from school district funds the
11 cost of group health insurance plans, nonprofit group hospital
12 service plans, nonprofit group medical service plans and group
13 life insurance plans adopted by the board for the benefit of
14 employees of the school district, but the board may authorize
15 any subdirector to employ teachers for the school in the
16 subdirector's subdistrict; but no such employment by a
17 subdirector shall authorize a contract, the entire period of
18 which is wholly beyond the subdirector's term of office.

19 The board may enter into an agreement pursuant to chapter
20 28E with another school district or an area education agency
21 for the purpose of jointly procuring a group health insurance
22 plan, nonprofit group hospital service plan, nonprofit group
23 medical service plan, or group life insurance plan for the
24 benefit of the districts or agencies which are parties to the
25 agreement. Such plan may include a cafeteria plan as defined
26 in 26 C.F.R. § 1.125-2T. An agreement entered into pursuant
27 to this paragraph shall not be construed to establish a
28 multiple employer welfare arrangement as defined in section 3
29 of the federal Employee Retirement Income Security Act of
30 1974, 29 U.S.C. § 1002, paragraph 40.

31 The board may approve a policy for educational leave for
32 licensed school employees and for reimbursement for tuition
33 paid by licensed school employees for courses approved by the
34 board. For the purpose of this section, "educational leave"
35 means a leave granted to an employee for the purpose of study

1 including study in areas outside of a teacher's area of
2 specialization, travel, or other reasons deemed by the board
3 to be of value to the school system.

4 EXPLANATION

5 This bill provides that a school board may enter into an
6 intergovernmental agreement with another school district or an
7 area education agency for the purpose of jointly procuring a
8 group health insurance plan, nonprofit group hospital service
9 plan, nonprofit group medical service plan, or group life
10 insurance plan for the benefit of the districts or agencies
11 which are parties to the agreement. The plan may include a
12 cafeteria plan as defined in 26 C.F.R. § 1.125-2T. An
13 agreement entered into pursuant to this paragraph shall not be
14 construed to establish a multiple employer welfare arrangement
15 as defined in section 3 of the federal Employee Retirement
16 Income Security Act of 1974, 29 U.S.C. § 1002, paragraph 40.

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HOUSE FILE 238

AN ACT

RELATING TO THE JOINT PURCHASE OF GROUP HEALTH BENEFITS BY
MULTIPLE SCHOOL DISTRICTS OR AREA EDUCATION AGENCIES PURSUANT
TO AN INTERGOVERNMENTAL AGREEMENT.

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

Section 1. Section 279.12, Code 1995, is amended to read
as follows:

279.12 CONTRACTS -- TEACHERS -- INSURANCE -- EDUCATIONAL
LEAVE.

The board shall carry into effect any instruction from the
regular election upon matters within the control of the
voters, and shall elect all teachers and make all contracts
necessary or proper for exercising the powers granted and
performing the duties required by law, and may establish and
pay all or any part thereof from school district funds the
cost of group health insurance plans, nonprofit group hospital
service plans, nonprofit group medical service plans and group
life insurance plans adopted by the board for the benefit of
employees of the school district, but the board may authorize
any subdirector to employ teachers for the school in the
subdirector's subdistrict; but no such employment by a
subdirector shall authorize a contract, the entire period of
which is wholly beyond the subdirector's term of office.

The board may enter into an agreement pursuant to chapter
28E with another school district or an area education agency
for the purpose of jointly procuring a group health insurance
plan, nonprofit group hospital service plan, nonprofit group
medical service plan, or group life insurance plan for the
benefit of the districts or agencies which are parties to the
agreement. Such plan may include a cafeteria plan as defined
in 26 C.F.R. § 1.125-2T. An agreement entered into pursuant
to this paragraph shall not be construed to establish a
multiple employer welfare arrangement as defined in section 3

of the federal Employee Retirement Income Security Act of
1974, 29 U.S.C. § 1002, paragraph 40.

The board may approve a policy for educational leave for
licensed school employees and for reimbursement for tuition
paid by licensed school employees for courses approved by the
board. For the purpose of this section, "educational leave"
means a leave granted to an employee for the purpose of study
including study in areas outside of a teacher's area of
specialization, travel, or other reasons deemed by the board
to be of value to the school system.

RON J. CORBETT
Speaker of the House

LEONARD L. BOSWELL
President of the Senate

I hereby certify that this bill originated in the House and
is known as House File 238, Seventy-sixth General Assembly.

ELIZABETH ISAACSON
Chief Clerk of the House

Approved *Spaiz*, 1995

TERRY E. BRANSTAD
Governor