



2026 South Dakota Legislature

House Bill 1279

Introduced by: **Representative** Mortenson

1 **An Act to permit technical college employees to join the state health plan.**

2 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

3 **Section 1. That § 3-6E-1 be AMENDED:**

4 **3-6E-1.** The bureau may establish a benefits plan for plan-eligible employees of
 5 the state and technical college employees, pursuant to section 2 of this Act. The plan may
 6 ~~either~~ be self-funded or established as a group health insurance program. The plan may
 7 provide for group health coverage against the financial cost of hospital, surgical,
 8 pharmacy, and medical treatment and care, and any other coverage or benefits the human
 9 resources commissioner determines is appropriate ~~and desirable.~~ The human resources
 10 commissioner may include a flexible benefit plan ~~which~~ that allows an employee to choose
 11 the employee's own benefits or levels of coverage.

12 **Section 2. That a NEW SECTION be added to chapter 3-6E:**

13 Notwithstanding any other sections of law, a technical college employee may join
 14 the plan.

15 Except as otherwise provided in this section, a technical college employee who
 16 participates in the plan is considered a plan-eligible employee under this chapter.

17 In lieu of the monthly state contribution described in § 3-6E-8, the LEA, as defined
 18 in § 13-39A-1, that employs a technical college employee shall contribute to the system
 19 an amount equivalent to the monthly contribution provided by the state for other plan-
 20 eligible employees.

21 In lieu of a payroll deduction, as described under § 3-6E-9, a technical college
 22 employee enrolled in the plan shall pay to the state treasurer any premium or contribution
 23 required by the human resources commissioner, pursuant to § 3-6E-9.

24 A technical college or LEA, may not restrict a technical college employee from
 25 joining the plan.

1 The human resources commissioner shall promulgate rules for the administration
2 of this section.

3 For the purpose of this chapter "technical college employee" means an individual
4 who is a permanent employee of a technical college in this state, as listed in § 13-39A-
5 42, and who is scheduled to work twenty or more hours a week, at least six months of
6 each year.

7 **Section 3. That § 3-6E-8 be AMENDED:**

8 **3-6E-8.** ~~The State of South Dakota~~The state shall ~~either~~ make a monthly
9 contribution to the system or otherwise provide for the amount necessary to make
10 payment to the system for the full single rate monthly health insurance premium or
11 contribution for the plan with the lowest actuarial value for each plan-eligible employee,
12 except for a technical college employee, pursuant to section 2 of this Act. This amount
13 ~~shall~~ must be transmitted to the account of the state employees' benefits plan in the Office
14 of the State Treasurer. The state treasurer, after making a record of the receipts, shall
15 credit the plan with an amount equal to that remitted or otherwise provided. Costs beyond
16 this amount for other plans offered by the state ~~shall~~ must be paid by the employee
17 through premiums. After the contribution has been assigned to the plan, the bureau shall
18 disburse the contribution in accordance with this chapter and the rules promulgated
19 pursuant to chapter 1-26 by the human resources commissioner.

20 **Section 4. That § 3-6E-9 be AMENDED:**

21 **3-6E-9.** ~~The State of South Dakota~~The state shall deduct on each payroll of a
22 member, except for a member who is a technical college employee pursuant to section 2
23 of this Act, for each payroll period, the amount of the contribution or premium, including
24 any administrative expense. The state shall make deductions from salaries of plan-eligible
25 employees, except for technical college employees, pursuant to section 2 of this Act, and
26 shall transmit monthly the amount specified to be deducted to the state treasurer. The
27 state treasurer, after making a record of receipts, shall credit the benefits plan with an
28 amount equal to that remitted by the state. After the credit has been assigned to the
29 benefits plan, the human resources commissioner shall disburse credit in accordance with
30 this chapter and the rules promulgated pursuant to chapter 1-26 by the human resources
31 commissioner.

32 **Section 5. That § 3-6E-13 be AMENDED:**

1 **3-6E-13.** The human resources commissioner is responsible for the administration
2 of this chapter and shall promulgate rules required for the effective administration of the
3 provisions of this chapter pursuant to chapter 1-26. The rules ~~may~~ must be promulgated
4 in the following areas:

- 5 (1) To establish what benefits ~~will~~ are to be offered pursuant to this chapter;
- 6 (2) Participation in the plan by employees, retired employees, technical college
7 employees, and dependents;
- 8 (3) Procedures for election of coverage;
- 9 (4) Effective dates of coverage if not specified by statute;
- 10 (5) Termination of coverage;
- 11 (6) Changes in dependent coverage;
- 12 (7) Collection of premiums and contributions;
- 13 (8) To coordinate the benefits plan with the health insurance plan authorized in this
14 chapter; and
- 15 (9) Other provisions as required to meet federal law.

16 **Section 6.** This Act is effective beginning July 1, 2027.