

The Senate Committee on Insurance and Labor offered the following substitute to HB 422:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Chapter 18 of Title 45 of the Official Code of Georgia Annotated, relating to  
2 employees' insurance and benefits plans, so as to require that the state employees' health  
3 insurance plan include high deductible health plans; to provide for certain employees  
4 enrolled in such high deductible health plans to have the ability to make pretax contributions  
5 to health savings accounts through deductions from the salary, wages, or other compensation  
6 payable to such employees; to authorize deductions from the salary, wages, or other  
7 compensation of such employees for such accounts; to encourage other governmental entities  
8 that employ other employees enrolled in such high deductible health plans to provide such  
9 other employees the ability to make pretax contributions to health savings accounts through  
10 deductions from the salary, wages, or other compensation payable to such other employees;  
11 to provide for related matters; to repeal conflicting laws; and for other purposes.

12 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

13 **SECTION 1.**

14 Chapter 18 of Title 45 of the Official Code of Georgia Annotated, relating to employees'  
15 insurance and benefits plans, is amended by adding a new Code section to read as follows:

16 "45-18-3.1.

17 (a) As used in this Code section, the term:

18 (1) 'Covered employee' means an individual described in subparagraph (A) or (D) of  
19 paragraph (2) of Code Section 45-18-1.

20 (2) 'High deductible health plan' shall have the meaning as set forth in Section 223 of the  
21 United States Internal Revenue Code.

22 (b) On or before January 1, 2028, the board shall ensure that at least two high deductible  
23 health plans are included in the health insurance plan or plans established under this part  
24 that are offered by different insurance providers that each have an affiliated custodian for  
25 health savings accounts authorized under Section 223 of the United States Internal Revenue  
26 Code, provided that any bid proposals accepted by the board for such high deductible  
27 health plans are cost neutral.

28 (c) On or before January 1, 2026, the board shall ensure that each covered employee who  
29 is enrolled in a high deductible health plan that is included in the health insurance plan or  
30 plans established under this part has the ability to make pretax contributions, through  
31 deductions from the salary, wages, or other compensation payable to such covered  
32 employee, to a health savings account, as authorized under Section 223 of the United States  
33 Internal Revenue Code, that is maintained by a custodian affiliated with the health  
34 insurance provider that offers such high deductible health plan.

35 (d) The State Accounting Office or the head of any state governmental entity that employs  
36 a covered employee who is enrolled in a high deductible health plan included in the health  
37 insurance plan or plans established under this part shall be authorized to deduct or reduce  
38 from the salary, wages, or other compensation payable to such covered employee amounts  
39 voluntarily designated by such covered employee for the purpose of making contributions  
40 to a health savings account, as authorized under Section 223 of the United States Internal  
41 Revenue Code.

42 (e) Any governmental entity that employs individuals who do not meet the definition of  
43 a covered employee as provided in subsection (a) of this Code section but who are included  
44 in the health insurance plan or plans established under this part, including, but not limited  
45 to, any local board of education, is encouraged to ensure that any such individuals who are  
46 enrolled in a high deductible health plan included in the health insurance plan or plans  
47 established under this part can make pretax contributions, through deductions from the  
48 salary, wages, or other compensation payable to such individuals, to a health savings  
49 account, as authorized under Section 223 of the United States Internal Revenue Code."

50

**SECTION 2.**

51 All laws and parts of laws in conflict with this Act are repealed.