

SENATE BILL REPORT

2EHB 1584

As of February 25, 1998

Title: An act relating to school district employee benefits.

Brief Description: Revising provisions for school district employee benefits.

Sponsors: Representatives Sherstad, Zellinsky, Dyer, Skinner, Backlund and Johnson.

Brief History:

Committee Activity: Health & Long-Term Care: 3/28/97, 4/1/97 [DPA-WM]; 2/26/98.

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Staff: Jonathan Seib (786-7427)

Background: School districts received about \$315 from the state to purchase employee benefits for each formula driven certificated, classified and administrative staff person in 1997. A July 1996 Attorney General's Opinion (AGO 1996 No. 9) said that all five basic benefits listed in statute must be offered by a school district before the district can agree to make employer contributions for an optional benefit.— Under current law, basic benefits are medical, dental, vision, group term life, and group long-term disability insurance coverage. There is concern that this requirement reduces the amount of funds available for optional benefits through voluntary employee benefit arrangements (VEBAs).

Summary of Bill: School districts may limit the employee benefit package to one or more of the statutory basic benefits. However, in districts offering optional benefits, all employee bargaining units must agree to the limitation.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.