

# HOUSE BILL REPORT

## HB 1255

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**As Reported by House Committee On:**  
Education

**Title:** An act relating to educational service districts.

**Brief Description:** Including educational service districts in school district provisions.

**Sponsors:** Representatives Cox, Fromhold, Haigh, Schoesler and Hunt.

**Brief History:**

**Committee Activity:**

Education: 1/31/01, 2/12/01 [DP].

**Brief Summary of Bill**

- Gives to educational service districts the same authority that school districts now enjoy on providing deferred compensation options to employees and insurance options to employees and board members.

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### HOUSE COMMITTEE ON EDUCATION

**Majority Report:** Do pass. Signed by 14 members: Representatives Quall, Democratic Co-Chair; Talcott, Republican Co-Chair; Anderson, Republican Vice Chair; Haigh, Democratic Vice Chair; Cox, Ericksen, Keiser, McDermott, Pearson, Rockefeller, Santos, Schindler, D. Schmidt and Schual-Berke.

**Staff:** Susan Morrissey (786-7111).

**Background:**

By law, school districts may permit their employees to participate in deferred compensation programs. The conditions that govern the programs are described in the law.

In addition, school districts may provide different types of insurance policies to students, employees, board members, and the dependents of each. The types of insurance policies offered may include liability, life, health, health care, accident, disability, salary protection, and other types of unspecified insurance protection. If funds are available,

the district may contribute all or a part of the money needed to pay employee insurance premiums. Students and board members must cover the cost of their own insurance policies. However, school districts may require and help pay the cost of insurance premiums for students participating in interscholastic athletics.

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**Summary of Bill:**

Educational service districts (ESDs) may permit their employees to participate in deferred compensation programs. The conditions that govern permissible programs are identical to conditions governing school district sponsored deferred compensation programs.

ESDs may provide different types of insurance policies to students, employees, board members, and the dependents of each. ESDs may offer the same types of insurance coverage that school districts may offer. ESDs, like school districts, may also offer and pay all or part of the cost of insurance protection for students in interscholastic athletics.

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**Appropriation:** None.

**Fiscal Note:** Not Requested.

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

**Testimony For:** The legislation provides to ESDs the authority to offer deferred compensation options to employees and insurance benefits to employees and board members. The board members would be required to purchase their own insurance policies, but could do so through the district. Board members receive no compensation for their time and service, so the option to purchase insurance through the district is one of the few tangible benefits an ESD could offer to its board members. Many ESD board members are recruited from school boards, so this option would permit them to continue to purchase their insurance as they were able to do when they served on their local school board. School districts are already able to provide these benefits to employees and board members, so this legislation creates parity among districts and will help facilitate the smooth transition of employees between school districts and ESDs.

**Testimony Against:** None.

**Testified:** (In support) Representative Cox, prime sponsor; Terry Munther, Educational Service District 101; Doyle Winter, Washington Association of School Administrators; Terry Lindquist, Puget Sound Educational Service District; and Ken Kanikeberg, Office of the Superintendent of Public Instruction.