

SENATE BILL REPORT

EHB 1146

As Reported By Senate Committee On:
Financial Institutions, Housing & Consumer Protection, March 29, 2005

Title: An act relating to funding group life insurance.

Brief Description: Funding group life insurance.

Sponsors: Representatives Roach, Kirby and Simpson.

Brief History: Passed House: 2/11/05, 98-0.

Committee Activity: Financial Institutions, Housing & Consumer Protection: 3/29/05 [DP].

SENATE COMMITTEE ON FINANCIAL INSTITUTIONS, HOUSING & CONSUMER PROTECTION

Majority Report: Do pass.

Signed by Senators Fairley, Chair; Berkey, Vice Chair; Brandland, Delvin, Franklin, Keiser, Prentice, Schmidt and Spanel.

Staff: Joanne Conrad (786-7472)

Background: Under current state law, an employer cannot provide group life insurance by requiring employees to pay for the entire premium. However, part of the premium may be paid by employees, if at least 75 percent of them elect to contribute. Concerns exist that this limitation is a constraint on employers who want to provide group life insurance to their workers.

Washington State Patrol employees wishing to purchase life insurance on a family member or spouse are currently limited to fifty percent of the amount of insurance on their own lives.

Summary of Bill: Premiums for group life insurance may be paid entirely by funds contributed by the insured employees. For members of the Washington State Patrol, a family member or spouse may be insured in the amount purchased by an insured employee. The 75 percent employee voting requirement is removed for the State Patrol, to parallel the voting requirement for other state employees.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

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

Testimony For: This bill would increase access to group life insurance by employees.

Testimony Against: None.

Who Testified: PRO: Mel Sorensen, American Council of Life Insurers, NAIFA.