

HOUSE BILL REPORT

HB 1392

As Reported by House Committee On:
Local Government

Title: An act relating to medical insurance for city officials.

Brief Description: Adding city officials to the list of public agencies eligible for medical insurance coverage outside of compensation.

Sponsors: Representatives Moeller, Curtis, B. Sullivan, Appleton, Chase and Schual-Berke.

Brief History:

Committee Activity:

Local Government: 1/30/07, 2/6/07 [DPS].

Brief Summary of Substitute Bill

- Adds specified, elected city officials and municipal court judges to the list of public officials for whom the costs of employment-related health insurance provided by a public entity are not deemed to be "additional compensation."

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 7 members: Representatives Simpson, Chair; Eddy, Vice Chair; Curtis, Ranking Minority Member; Schindler, Assistant Ranking Minority Member; Ross, B. Sullivan and Takko.

Staff: Thamas Osborn (786-7129).

Background:

Article II, section 25, of the State Constitution, prohibits any increase or reduction in the "compensation" paid to any elected public official during his or her term in office.

For public employees and specified elected officials, the cost incurred by a public entity in providing employment-related medical insurance is not deemed to be "additional compensation" to such officials or employees. This provision does not currently apply to the

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elected officials of cities and towns, but does apply to the following categories of elected officials:

- county officials;
- fire protection district commissioners;
- port district commissioners;
- public utility district commissioners;
- water-sewer district commissioners;
- public hospital district commissioners; and
- irrigation district commissioners.

Summary of Substitute Bill:

The cost of medical insurance provided to municipal court judges and elected officials in specified categories of municipalities is not deemed to be "additional compensation" to such officials.

In addition to municipal court judges, the municipal officials subject to the provisions of the act are those holding office in the following categories of municipality:

- cities with a commission form of government;
- first class cities;
- second class cities;
- towns;
- cities with a mayor-council plan of government; and
- cities with a council-manager plan of government.

Substitute Bill Compared to Original Bill:

The substitute bill adds municipal court judges to the categories of elected public officials for whom the definition of "compensation" does not include medical insurance benefits.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony:

(In support) This bill is needed to provide authorization for elected officials in cities and towns to receive increases in medical insurance benefits while they hold office. These officials were mistakenly left out of the original statute. Furthermore, this bill will serve to legitimize the current practices of municipalities with respect to the provision of yearly increases in medical benefits to their elected officials. The bill should be amended to include municipal court judges as well.

(Opposed) None.

Persons Testifying: Victoria Lincoln, Association of Washington Cities; and Melanie Stewart, Municipal and District Court Judges Association.

Persons Signed In To Testify But Not Testifying: None.