

# FINAL BILL REPORT

## SB 5525

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Synopsis as Enacted

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

**Sponsors:** Senators Oemig, Swecker and Regala.

**Senate Committee on Government Operations & Elections**

**House Committee on Local Government**

**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 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:** The cost of medical insurance provided to elected officials in specified categories of municipalities is not deemed to be "additional compensation" to such officials.

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.

**Votes on Final Passage:**

Senate	41	6
House	96	0

**Effective:** July 22, 2007