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## ESHB 1790 - S COMM AMD By Committee on Ways & Means

## ADOPTED 04/08/2011

1 Strike everything after the enacting clause and insert the 2 following:

- 3 "Sec. 1. RCW 28A.400.280 and 1990 1st ex.s. c 11 s 6 are each 4 amended to read as follows:
  - (1) Except as provided in subsection (2) of this section, school districts may provide employer fringe benefit contributions after October 1, 1990, only for basic benefits. However, school districts may continue payments under contracts with employees or benefit providers in effect on April 13, 1990, until the contract expires.
  - (2) School districts may provide employer contributions after October 1, 1990, for optional benefit plans, in addition to basic benefits, only for employees included in pooling arrangements under this subsection. Optional ((benefit plans)) benefits may include direct agreements as defined in chapter 48.150 RCW, but may not include employee beneficiary accounts that can be liquidated by the employee on termination of employment. Optional benefit plans may be offered only if:
  - (a) The school district pools benefit allocations among employees using a pooling arrangement that includes at least one employee bargaining unit and/or all nonbargaining group employees;
    - (b) Each full-time employee included in the pooling arrangement is offered basic benefits, including coverage for dependents, without a payroll deduction for premium charges;
  - (c) Each full-time employee included in the pooling arrangement, regardless of the number of dependents receiving basic coverage, receives the same additional employer contribution for other coverage or optional benefits; and
- 28 (d) For part-time employees included in the pooling arrangement, 29 participation in optional benefit plans shall be governed by the same

eligibility criteria and/or proration of employer contributions used for allocations for basic benefits.

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- (3) Savings accruing to school districts due to limitations on benefit options under this section shall be pooled and made available by the districts to reduce out-of-pocket premium expenses for employees needing basic coverage for dependents. School districts are not intended to divert state benefit allocations for other purposes.
- 8 **Sec. 2.** RCW 28A.400.350 and 2001 c 266 s 2 are each amended to 9 read as follows:
- (1) The board of directors of any of the state's school districts 10 11 or educational service districts may make available liability, life, 12 health, health care, accident, disability, and salary protection or 13 insurance, direct agreements as defined in chapter 48.150 RCW, or any one of, or a combination of the ((enumerated)) types of ((insurance)) 14 employee benefits enumerated in this subsection, or any other type of 15 16 insurance or protection, for the members of the boards of directors, the students, and employees of the school district or educational 17 service district, and their dependents. Such coverage may be provided 18 by contracts with private carriers, with the state health care 19 20 authority after July 1, 1990, pursuant to the approval of the authority 21 administrator, or through self-insurance or self-funding pursuant to chapter 48.62 RCW, or in any other manner authorized by law. 22 Any 23 direct agreement must comply with RCW 48.150.050.
  - (2) Whenever funds are available for these purposes the board of directors of the school district or educational service district may contribute all or a part of the cost of such protection or insurance for the employees of their respective school districts or educational service districts and their dependents. The premiums on such liability insurance shall be borne by the school district or educational service district.

After October 1, 1990, school districts may not contribute to any employee protection or insurance other than liability insurance unless the district's employee benefit plan conforms to RCW 28A.400.275 and 28A.400.280.

(3) For school board members, educational service district board members, and students, the premiums due on such protection or insurance shall be borne by the assenting school board member, educational

service district board member, or student. The school district or 1 2 educational service district may contribute all or part of the costs, including the premiums, of life, health, health care, accident or 3 4 disability insurance which shall be offered to all students participating in interschool activities on the behalf of or as 5 6 representative of their school, school district, or educational service The school district board of directors and the educational 7 8 service district board may require any student participating 9 extracurricular interschool activities to, as a condition 10 participation, document evidence of insurance or purchase insurance that will provide adequate coverage, as determined by the school 11 12 district board of directors or the educational service district board, 13 for medical expenses incurred as a result of injury sustained while participating in the extracurricular activity. In establishing such a 14 requirement, the district shall adopt regulations for waiving or 15 reducing the premiums of such coverage as may be offered through the 16 school district or educational service district to 17 participating in extracurricular activities, for those students whose 18 19 families, by reason of their low income, would have difficulty paying the entire amount of such insurance premiums. The district board shall 20 21 adopt regulations for waiving or reducing the insurance coverage 22 requirements for low-income students in order to assure such students 23 are not prohibited from participating in extracurricular interschool 24 activities.

(4) All contracts for insurance or protection written to take advantage of the provisions of this section shall provide that the beneficiaries of such contracts may utilize on an equal participation basis the services of those practitioners licensed pursuant to chapters 18.22, 18.25, 18.53, 18.57, and 18.71 RCW."

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30 On page 1, line 2 of the title, after "providers;" strike the

- 1 remainder of the title and insert "and amending RCW 28A.400.280 and
- 2 28A.400.350."

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