

ESHB 2804 - S COMM AMD

By Committee on Higher Education

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

3 "Sec. 1. RCW 28B.15.380 and 2015 c 46 s 1 are each amended to
4 read as follows:

5 (1) Subject to the limitations of RCW 28B.15.910, the governing
6 boards of the state universities, the regional universities, and The
7 Evergreen State College shall exempt the following students from the
8 payment of all tuition fees and services and activities fees:

9 ~~((1))~~ (a) Children of any law enforcement officer as defined in
10 chapter 41.26 RCW, firefighter as defined in chapter 41.26 or 41.24
11 RCW, highway worker, or Washington state patrol officer who lost his
12 or her life or became totally disabled in the line of duty while
13 employed by any public law enforcement agency or full-time or
14 volunteer fire department in this state, or was a highway worker
15 while employed by a transportation agency: PROVIDED, That such
16 persons may receive the exemption only if they begin their course of
17 study at a state-supported college or university within ten years of
18 their graduation from high school; ~~((and~~

19 ~~(2))~~ (b) Surviving spouses of any law enforcement officer as
20 defined in chapter 41.26 RCW, firefighter as defined in chapter 41.26
21 or 41.24 RCW, highway worker, or Washington state patrol officer who
22 lost his or her life or became totally disabled in the line of duty
23 while employed by any public law enforcement agency or full-time or
24 volunteer fire department in this state, or was a highway worker
25 while employed by a transportation agency;

26 (c) Children of any highway worker who lost his or her life or
27 became totally disabled while either employed by a general contractor
28 or subcontractor on a transportation project. The cost of the
29 exemption for the tuition fees and services and activities fees for
30 the children of the deceased or disabled highway worker shall be paid
31 from the accident fund as described in RCW 51.44.010 and shall be

1 charged to the rate classification as established under RCW
2 51.16.035; and

3 (d) Surviving spouses of any highway worker who lost his or her
4 life or became totally disabled while either employed by a general
5 contractor or subcontractor on a transportation project. The cost of
6 the exemption for the tuition fees and services and activities fees
7 for the surviving spouse of the deceased or disabled highway worker
8 shall be paid from the accident fund as described in RCW 51.44.010
9 and shall be charged to the rate classification as established under
10 RCW 51.16.035.

11 ~~((3))~~ (2) The governing boards of the state universities, the
12 regional universities, and The Evergreen State College shall report
13 to the education data center on the annual cost of tuition fees and
14 services and activities fees waived for surviving spouses and
15 children under this section. The education data center shall
16 consolidate the reports of the waived fees and annually report to the
17 appropriate fiscal and policy committees of the legislature.

18 ~~((4))~~ (3) As used in this section, "transportation agency"
19 means any agency, department, or division of a municipal corporation,
20 political subdivision, or other unit of local government in this
21 state, and any agency, department, or division of state government,
22 having as its primary function the construction and maintenance of
23 the highways and roads within the state of Washington. Such an
24 agency, department, or division is distinguished from a transit
25 agency having as one of its functions the highway maintenance,
26 including but not limited to the state department of transportation.
27 A transportation agency under this section does not include a
28 government contractor.

29 **Sec. 2.** RCW 51.44.070 and 1992 c 124 s 1 are each amended to
30 read as follows:

31 (1) For every case resulting in death or permanent total
32 disability the department shall transfer on its books from the
33 accident fund of the proper class and/or appropriate account to the
34 "reserve fund" a sum of money for that case equal to the estimated
35 present cash value of the monthly payments provided for it, to be
36 calculated upon the basis of an annuity covering the payments in this
37 title provided to be made for the case. Such annuity values shall be
38 based upon rates of mortality, disability, remarriage, and interest

1 as determined by the department, taking into account the experience
2 of the reserve fund in such respects.

3 Similarly, a self-insurer in these circumstances shall pay into
4 the reserve fund a sum of money computed in the same manner, and the
5 disbursements therefrom shall be made as in other cases.

6 (2) As an alternative to payment procedures otherwise provided
7 under law, in the event of death or permanent total disability to
8 workers of self-insured employers, a self-insured employer may upon
9 establishment of such obligation file with the department a bond, an
10 assignment of account from a federally or state chartered commercial
11 banking institution authorized to conduct business in the state of
12 Washington, or purchase an annuity, in an amount deemed by the
13 department to be reasonably sufficient to insure payment of the
14 pension benefits provided by law. Any purchase of an annuity shall be
15 from an institution meeting the following minimum requirements: (a)
16 The institution must be rated no less than "A+" by A.M. Best, and no
17 less than "AA" by Moody's and by Standard & Poor's; (b) the value of
18 the assets of the institution must not be less than ten billion
19 dollars; (c) not more than ten percent of the institution's assets
20 may include bonds that are rated less than "BBB" by Moody's and
21 Standard & Poor's; (d) not more than five percent of the assets may
22 be held as equity in real estate; and (e) not more than twenty-five
23 percent of the assets may be first mortgages, and not more than five
24 percent may be second mortgages. The department shall adopt rules
25 governing assignments of account and annuities. Such rules shall
26 ensure that the funds are available if needed, even in the case of
27 failure of the banking institution, the institution authorized to
28 provide annuities, or the employer's business.

29 The annuity value for every such case shall be determined by the
30 department based upon the department's experience as to rates of
31 mortality, disability, remarriage, and interest. The amount of the
32 required bond, assignment of account, or annuity may be reviewed and
33 adjusted periodically by the department, based upon periodic
34 redeterminations by the department as to the outstanding annuity
35 value for the case.

36 Under such alternative, the department shall administer the
37 payment of this obligation to the beneficiary or beneficiaries. The
38 department shall be reimbursed for all such payments from the self-
39 insured employer through periodic charges not less than quarterly in
40 a manner to be determined by the director. The self-insured employer

1 shall additionally pay to the department a deposit equal to the first
2 three months' payments otherwise required under RCW 51.32.050 and
3 51.32.060. Such deposit shall be placed in the reserve fund in
4 accordance with RCW 51.44.140 and shall be returned to the respective
5 self-insured employer when monthly payments are no longer required
6 for such particular obligation.

7 If a self-insurer delays or refuses to reimburse the department
8 beyond fifteen days after the reimbursement charges become due, there
9 shall be a penalty paid by the self-insurer upon order of the
10 director of an additional amount equal to twenty-five percent of the
11 amount then due which shall be paid into the pension reserve fund.
12 Such an order shall conform to the requirements of RCW 51.52.050.

13 (3) Where any highway worker who lost his or her life or became
14 totally disabled while either employed by a general contractor or
15 subcontractor on a transportation project, the cost of the exemption
16 for the tuition fees and services and activities fees for the highway
17 worker's children and surviving spouse shall be paid from the
18 accident fund as provided in RCW 28B.15.380."

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19 On page 1, line 3 of the title, after "workers;" strike the
20 remainder of the title and insert "and amending RCW 28B.15.380 and
21 51.44.070."

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