

SENATE BILL REPORT

HB 2458

As of February 28, 2020

Title: An act relating to optional benefits offered by school districts.

Brief Description: Concerning optional benefits offered by school districts.

Sponsors: Representatives Stonier, Sells, Dolan, Schmick, Boehnke, Bergquist, Vick, Pollet and Wylie.

Brief History: Passed House: 2/17/20, 97-0.

Committee Activity: Ways & Means: 2/26/20.

Brief Summary of Bill

- Allows school districts to provide certain optional, employee-paid benefits that are not provided by the School Employees' Benefits Board.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Amanda Cecil (786-7460)

Background: In 2017, EHB 2242 was enacted, consolidating healthcare benefits for all eligible school employees under the School Employees' Benefits (SEB) Board. The SEB Board is responsible for determining the terms of employee and dependent eligibility and enrollment policies, subject to the condition that employees anticipated to work at least 630 hours per year qualify for coverage.

In 2018, ESSB 6241 was enacted, which included various provisions related to the administration of the benefits, including a provision allowing school districts to provide certain benefits to employees falling outside the authority of the SEB Board. The SEB Board's authority broadly includes medical and liability insurance.

Benefits under SEB began January 1, 2020.

Summary of Bill: School districts may provide certain voluntary, employee-paid benefits through a payroll deduction that may fall under the SEB Board's authority, but that are not being provided by the SEB Board. This can include personal lines homeowners insurance,

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private passenger automobile insurance, and accident only, specified disease, and other fixed payment benefit insurance.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony: PRO: This bill provides needed clarity about what districts can offer to employees. Districts have been providing employee-paid benefits through payroll deductions and this allows them to continue to offer those by reaffirming the current law and practice. These are not health care products. They are plans that provide financial certainty. The amendment adds clarity and was agreed to by the stakeholders.

OTHER: The amendment fully address the concerns with the underlying bill.

Persons Testifying: PRO: Rick Chisa, Public School Employees of Washington; Julie Salvi, Washington Education Association; Mel Sorensen, American Fidelity; Tim Boyd, Aflac; Dan Steele, Washington Association of School Administrators, Washington Association of School Business Officials; Christian Dube, IUOE 302.

OTHER: Brian Sims, Washington State School Directors Association.

Persons Signed In To Testify But Not Testifying: No one.