

# SENATE BILL REPORT

## SB 5562

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As of January 27, 2022

**Title:** An act relating to educational service districts health care for nonrepresented employees.

**Brief Description:** Concerning health care for nonrepresented employees of educational service districts.

**Sponsors:** Senators Wellman, Mullet, Conway, Lovick, Nobles and Wilson, C..

**Brief History:**

**Committee Activity:** Ways & Means: 1/27/22.

**Brief Summary of Bill**

- Requires that non-represented employees of an educational service district receive health care benefits through the Public Employees' Benefit Board beginning January 1, 2024.

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### SENATE COMMITTEE ON WAYS & MEANS

**Staff:** Amanda Cecil (786-7460)

**Background:** Beginning January 1, 2020, health care benefits for most school employees are provided through the School Employees' Benefits Board (SEBB). Employees of an educational service district (ESD) that are covered by a collective bargaining agreement also receive health care benefits through the SEBB. Coverage in SEBB for non-represented ESD employees begins January 1, 2024.

The Public Employees' Benefit Board (PEBB) provides health care coverage for eligible state employees and other public employers that opt in to coverage. Benefits offered by PEBB and SEBB are very similar. One significant difference is the number of hours an employee must work to be eligible for coverage. Generally an employee must work at least half-time or 1040 hours per year to be eligible for PEBB benefits. School employees that

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are expected to work at least 630 hours per year are eligible for SEBB coverage.

**Summary of Bill:** The requirement that non-represented ESD employees receive health care benefits through SEBB is changed to a requirement that coverage be provided through PEBB.

**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: The ESD employee profile is more like a state agency than it is like a school district. ESD employees have full time year round schedules.

CON: Other employers don't have employees in two different systems. Having employees in the same system creates more seamless transitions for employees. Unrepresented employees should have the same opportunity to be covered by SEBB.

**Persons Testifying:** PRO: Senator Lisa Wellman, Prime Sponsor; Melissa Gombosky, Association of Educational Service Districts (AESD).

CON: Julie Salvi, Washington Education Association; Rick Chisa, Public School Employees of Washington (PSE).

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