

RCW 48.180.015 Agreement to form joint self-insurance program—Authorized activities—State risk manager as attorney for receipt of service. (1) The governing body of a nonprofit corporation may join or form a self-insurance program together with one or more other nonprofit corporations, and may jointly purchase insurance or reinsurance with one or more other nonprofit corporations for property and liability risks only as permitted under this chapter. Nonprofit corporations may contract for or hire personnel to provide risk management, claims, and administrative services in accordance with this chapter.

(2) The agreement to form a joint self-insurance program may include the organization of a separate legal or administrative entity with powers delegated to the entity. The entity may include or create a nonprofit corporation as defined in RCW 48.62.021.

(3) If provided for in the organizational documents, a joint self-insurance program may, in conformance with this chapter:

(a) Contract or otherwise provide for risk management and loss control services;

(b) Contract or otherwise provide legal counsel for the defense of claims and other legal services;

(c) Consult with the state insurance commissioner and the state risk manager;

(d) Jointly purchase insurance and reinsurance coverage in a form and amount as provided for in the organizational documents;

(e) Obligate the program's participants to pledge funds or revenues to secure the obligations or pay the expenses of the program, including the establishment of a reserve fund for coverage, including an additional assessment if the reserve fund or the program's revenue or assets are insufficient to cover the program's liabilities; and

(f) Possess any other powers and perform all other functions reasonably necessary to carry out the purposes of this chapter.

(4) Every joint self-insurance program governed by this chapter must appoint the state risk manager as its attorney to receive service of, and upon whom must be served, all legal process issued against the program in this state upon causes of action arising in this state.

(a) Service upon the state risk manager as attorney constitutes service upon the program. Service upon joint self-insurance programs subject to this chapter may only occur by service upon the state risk manager. At the time of service, the plaintiff shall pay to the state risk manager a fee to be set by the state risk manager, taxable as costs in the action.

(b) With the initial filing for approval with the state risk manager, each joint self-insurance program must designate by name and address the person to whom the state risk manager must forward legal process that is served upon him or her. The joint self-insurance program may change this person by filing a new designation.

(c) The appointment of the state risk manager as attorney is irrevocable, binds any successor in interest or to the assets or liabilities of the joint self-insurance program, and remains in effect as long as there is in force in this state any contract made by the joint self-insurance program or liabilities or duties arising from the contract.

(d) The state risk manager shall keep a record of the day and hour of service upon him or her of all legal process. A copy of the process, by registered mail with return receipt requested, must be sent by the state risk manager to the person designated to receive

legal process by the joint self-insurance program in its most recent designation filed with the state risk manager. Proceedings may not commence against the joint self-insurance program, and the program is not required to appear, plead, or answer, until the expiration of forty days after the date of service upon the state risk manager.

(e) For any legal process issued against the program for causes of action arising outside of this state, the program shall provide the state risk manager a copy of such claim.

(5) A nonprofit joint self-insurance program previously established under chapter 48.62 RCW may continue its operations without interruption. All previously approved operating documents under chapter 48.62 RCW including, but not limited to, applications, state-granted authorities, approvals to operate, certificates of incorporation, articles of incorporation, membership documents, executed contracts, and other applicable items or authorities remain in effect without reapproval.

(6) A nonprofit joint self-insurance program previously established under and governed by chapter 48.62 RCW is not required to reapply for authority to operate as previously approved by the state risk manager in its original application. [2015 c 109 s 7.]