
SENATE BILL 5387

State of Washington 57th Legislature 2001 Regular Session

By Senators Kastama, Carlson, McAuliffe and Rasmussen

Read first time 01/22/2001. Referred to Committee on Education.

1 AN ACT Relating to educational service districts; amending RCW
2 28A.400.240; and reenacting and amending RCW 28A.400.350.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 28A.400.240 and 1975 1st ex.s. c 205 s 1 are each
5 amended to read as follows:

6 In addition to any other powers and duties, any school district
7 or educational service district may contract with any classified
8 or certificated employee to defer a portion of that employee's
9 income, which deferred portion shall in no event exceed the
10 appropriate internal revenue service exclusion allowance for such
11 plans, and shall subsequently with the consent of the employee,
12 deposit or invest in a credit union, savings and loan association,
13 bank, mutual savings bank, or purchase life insurance, shares of
14 an investment company, or a fixed and/or variable annuity
15 contract, for the purpose of funding a deferred compensation
16 program for the employee, from any life underwriter or registered
17 representative duly licensed by this state who represents an
18 insurance company or an investment company licensed to contract

1 business in this state. In no event shall the total investments or
2 payments, and the employee's nondeferred income for any year
3 exceed the total annual salary, or compensation under the existing
4 salary schedule or classification plan applicable to such employee
5 in such year. Any income deferred under such a plan shall continue
6 to be included as regular compensation, for the purpose of
7 computing the retirement and pension benefits earned by any
8 employee, but any sum so deducted shall not be included in the
9 computation of any taxes withheld on behalf of any such employee.

10 **Sec. 2.** RCW 28A.400.350 and 1995 1st sp.s. c 6 s 18 and 1995 c 126
11 s 1 are each reenacted and amended to read as follows:

12 (1) The board of directors of any of the state's school
13 districts or educational service districts may make available
14 liability, life, health, health care, accident, disability and
15 salary protection or insurance or any one of, or a combination of
16 the enumerated types of insurance, or any other type of insurance
17 or protection, for the members of the boards of directors, the
18 students, and employees of the school district or educational
19 service district, and their dependents. Such coverage may be
20 provided by contracts with private carriers, with the state health
21 care authority after July 1, 1990, pursuant to the approval of the
22 authority administrator, or through self-insurance or self-funding
23 pursuant to chapter 48.62 RCW, or in any other manner authorized
24 by law.

25 (2) Whenever funds are available for these purposes the board
26 of directors of the school district or educational service
27 district may contribute all or a part of the cost of such
28 protection or insurance for the employees of their respective
29 school districts or educational service districts and their
30 dependents. The premiums on such liability insurance shall be borne
31 by the school district or educational service district.

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

36 (3) For school board members, educational service district
37 board members, and students, the premiums due on such protection

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

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

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