

RCW 54.04.050 Group employee insurance—Deferred compensation plans—Supplemental savings plans. (1) Subject to chapter 48.62 RCW, any public utility district engaged in the operation of electric or water utilities may enter into contracts of group insurance for the benefit of its employees, and pay all or any part of the premiums for such insurance. Such premiums shall be paid out of the revenues derived from the operation of such properties: PROVIDED, That if the premium is to be paid by the district and employees jointly, and the benefits of the policy are offered to all eligible employees, not less than seventy-five percent of such employees may be so insured.

(2) A public utility district engaged in the operation of electric or water utilities may establish and maintain for the benefit of its eligible employees and officials any plan of deferred compensation or supplemental savings plan for retirement, and make contributions or pay benefits thereunder out of the revenue derived from the operation of its properties. For purposes of this section, "contributions" includes contributions on behalf of an eligible employee equal to the amount by which the employee agrees to a reduction in salary or wages and also includes contributions made by the public utility district separate from amounts otherwise intended as salary or wages. Coverage of an employee under a plan under this section does not render the employee or official ineligible for simultaneous membership and participation in any pension system for public employees.

(3) Contributions must be deposited in designated accounts, held in trust, or remitted to an insurer. When deposited to an account or held in trust, the account or trust fund is considered a public retirement fund within the meaning of Article XXIX, section 1 of the state Constitution, for the purpose of determining eligible investments and deposits of money into the account or trust.

(4) Contributions may be deposited or invested in a credit union, savings and loan association, bank, mutual savings bank, purchase life insurance, shares of an investment company, or fixed or variable annuity contracts from any insurance company or any investment company licensed to contract business in this state. To the extent a plan is an individual account plan, participants in the plan may be permitted to self-direct the investment of assets allocated to their account through the selection of investment options authorized under the plan, and an employee, official, or commissioner of the district is not liable for any loss or deficiency resulting from participant investments. An "individual account plan" is a plan that provides for an individual account for each participant and for benefits based upon the amount contributed to the participant's account, and any income, expenses, gains and losses, and any forfeitures of accounts or other participants which may be allocated to that participant's account. [2011 c 30 s 1; 1991 sp.s. c 30 s 23; 1984 c 15 s 1; 1959 c 233 s 1; 1941 c 245 s 8; Rem. Supp. 1941 s 11616-6.]

Intent—2011 c 30: "This act is intended to clarify existing authority of public utility districts to provide deferred compensation and supplemental savings plans for retirement for their employees, commissioners, and other officials." [2011 c 30 s 2.]

Effective date, implementation, application—1991 sp.s. c 30: See RCW 48.62.900.

Severability—1941 c 245: "If any section or provision of this act shall be adjudged to be invalid, such adjudication shall not affect the validity of the act as a whole or any section, provision or part thereof not adjudged to be invalid." [1941 c 245 s 11.]

Group insurance: Chapters 48.21 and 48.24 RCW.

Hospitalization and medical insurance authorized: RCW 41.04.180.