

CERTIFICATION OF ENROLLMENT

HOUSE BILL 1255

Chapter 266, Laws of 2001

57th Legislature
2001 Regular Session

EDUCATIONAL SERVICE DISTRICTS

EFFECTIVE DATE: 7/22/01

Passed by the House March 9, 2001
Yeas 98 Nays 0

FRANK CHOPP

Speaker of the House of Representatives

CLYDE BALLARD

Speaker of the House of Representatives

Passed by the Senate April 10, 2001
Yeas 47 Nays 1

BRAD OWEN

President of the Senate

Approved May 11, 2001

GARY LOCKE

Governor of the State of Washington

CERTIFICATE

We, Timothy A. Martin and Cynthia Zehnder, Co-Chief Clerks of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1255** as passed by the House of Representatives and the Senate on the dates hereon set forth.

TIMOTHY A. MARTIN

Chief Clerk

CYNTHIA ZEHNDER

Chief Clerk

FILED

May 11, 2001 - 9:58 a.m.

**Secretary of State
State of Washington**

HOUSE BILL 1255

Passed Legislature - 2001 Regular Session

State of Washington 57th Legislature 2001 Regular Session

By Representatives Cox, Fromhold, Haigh, Schoesler and Hunt

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

1 total annual salary, or compensation under the existing salary schedule
2 or classification plan applicable to such employee in such year. Any
3 income deferred under such a plan shall continue to be included as
4 regular compensation, for the purpose of computing the retirement and
5 pension benefits earned by any employee, but any sum so deducted shall
6 not be included in the computation of any taxes withheld on behalf of
7 any such employee.

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

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

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

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

33 (3) For school board members, educational service district board
34 members, and students, the premiums due on such protection or insurance
35 shall be borne by the assenting school board member, educational
36 service district board member, or student. The school district or
37 educational service district may contribute all or part of the costs,
38 including the premiums, of life, health, health care, accident or

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

22 (4) All contracts for insurance or protection written to take
23 advantage of the provisions of this section shall provide that the
24 beneficiaries of such contracts may utilize on an equal participation
25 basis the services of those practitioners licensed pursuant to chapters
26 18.22, 18.25, 18.53, 18.57, and 18.71 RCW.

Passed the House March 9, 2001.

Passed the Senate April 10, 2001.

Approved by the Governor May 11, 2001.

Filed in Office of Secretary of State May 11, 2001.