(SUBSTITUTED FOR - SEE 2ND SUB)

Provides that any contract for employee benefits between a school district and a bargaining unit is null and void unless basic benefits are provided through plans administered by the Washington state health care authority.

Requires a school district or educational service district to purchase basic benefits as defined in section 1 of the act for employees and dependents through the state health care authority, except that the coverage may be purchased through other parties if required by any collective bargaining agreement signed before the effective date of the act.

Requires the state health care authority to explore opportunities to change the start of the benefit year to September to accommodate the September 1, 2011, merger of school districts and educational service districts.

Authorizes school districts and educational service districts to: (1) Contractually agree with the state health care authority to benefits eligibility criteria which differs from that determined by the public employees' benefits board; and

(2) Collect additional contributions from part-time employees not to exceed the cost of the benefits provided to these employees.