

FINAL BILL REPORT

SSB 5275

C 13 L 23

Synopsis as Enacted

Brief Description: Expanding access to benefits provided by the school employees' benefits board.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Robinson, Hunt, Keiser, Lovick, Nobles, Randall, Wellman and Wilson, C.).

Senate Committee on Ways & Means

House Committee on Appropriations

Background: Health care benefits for eligible school employees are provided by the School Employees' Benefits Board (SEBB). Eligible state employees are provided healthcare benefits through the Public Employees' Benefits Board (PEBB). Local governments, tribal governments, and employee organizations representing state employees have the option of providing benefits through PEBB. Employers providing healthcare through PEBB determine the terms of employee and dependent eligibility and must pay premiums set by the Health Care Authority (HCA).

The federal Employee Retirement Income Security Act of 1974 (ERISA) sets minimum standards for most voluntarily established retirement and health plans in private industry to provide protection for individuals in these plans. In general, ERISA does not cover group health plans established or maintained by governmental entities for their employees. The United States Department of Labor has issued multiple advisory options stating that participation by a negligible number of private sector employees will not adversely affect a plan's status as a governmental plan.

Summary: Tribal compact schools, employee organizations representing school employees, and school board directors may enter into a contract with the HCA to provide health care benefits to their employees through SEBB beginning January 1, 2024. Employers opting in to coverage under SEBB may determine the terms of employee and dependent eligibility and must pay premiums set by HCA.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

HCA will approve or deny applications and will monitor federal guidelines on negligible participation by employees who are not substantially performing essential governmental functions and may limit enrollment for employer groups, if it becomes necessary.

Votes on Final Passage:

Senate 48 0

House 97 0

Effective: July 23, 2023