

FINAL BILL REPORT

SHB 1358

C 92 L 91

Synopsis As Enacted

Brief Description: Allowing educational employees to choose a benefit plan in lieu of remuneration for unused sick leave.

By House Committee on Appropriations (originally sponsored by Representatives Dorn, Holland, Neher, Peery, Sprenkle, Brumsickle, Rasmussen, Inslee, R. Meyers, Winsley, Edmondson, Mielke, Miller, Betrozoff, G. Fisher, Basich, Pruitt, Orr, H. Myers, Roland, Rayburn and Anderson).

House Committee on Education
House Committee on Appropriations
Senate Committee on Ways & Means

Background: Under current law, school district and Educational Service District (ESD) employees may be paid annually for unused sick leave so long as they maintain a sick leave balance of 60 days. Sick leave may also be cashed-out when an employee retires or dies. The rate of compensation in both cases is one day's pay for each four full days of accrued sick leave.

In lieu of a monetary payment at the time of retirement, school district and ESD employees may use the compensation for post retirement medical benefits under programs established by their respective school district Board of Directors. However, these employees may not move unused sick leave funds into a medical benefits plan on an annual basis.

Summary: School district and Educational Service District employees who are eligible under existing law to receive annual remuneration for unused sick leave may choose to have the remuneration used for a medical benefit plan instead of receiving cash.

Districts may not adopt any new benefit plan unless the plan contains provisions requiring employees to hold districts harmless for federal taxes, assessments, and other payments due on funds placed into the benefit plan.

Votes on Final Passage:

House	98	0
Senate	47	0

Effective: July 28, 1991