

1840-S2

Sponsor(s): House Committee on Financial Institutions & Insurance (originally sponsored by Representatives Clibborn, Jarrett, Rockefeller, O'Brien, Skinner, Hankins, Edwards, Nixon, Pettigrew, Sullivan, Hunt, Moeller, Schindler, Mielke, Kenney, Haigh, Linville, Lovick, Chase, Darneille and Tom)

Brief Description: Authorizing nonprofit corporations to participate in self-insurance risk pools.

**HB 1840-S2.E - DIGEST**

(AS OF HOUSE 2ND READING 2/12/04)

Finds that in order to sustain the financial viability of nonprofit organizations, they should be provided with alternative options for insuring against risks.

Finds that local government entities and nonprofit organizations share the common goal of providing services beneficial to the public interest.

Finds that allowing nonprofit organizations and local government entities to pool risk in self-insurance risk pools may be of mutual benefit for both types of entities.

Declares an intent to allow nonprofit organizations to form or participate in self-insurance risk pools with other nonprofit organizations or with local government entities where authority for such risk pooling arrangements does not currently exist in state or federal law.

Declares that this act does not apply to a nonprofit corporation that: (1) Individually self-insures for property and liability risks;

(2) Participates in a risk pooling arrangement, including a risk retention group or a risk purchasing group, regulated under chapter 48.92 RCW, or is a captive insurer authorized in its state of domicile; or

(3) Is a hospital licensed under chapter 70.41 RCW or an entity owned, operated, controlled by, or affiliated with such a hospital that participates in a self-insurance risk pool or other risk pooling arrangement, unless the self-insurance pool or other risk pooling arrangement for property and liability risks includes a local government entity.