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SENATE BILL 5119

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State of Washington

64th Legislature

2015 Regular Session

By Senators Angel and Mullet

Read first time 01/14/15. Referred to Committee on Financial Institutions & Insurance.

1 AN ACT Relating to nonprofit risk pools; amending RCW 48.01.050,  
2 48.62.031, and 48.62.141; reenacting and amending RCW 48.62.021;  
3 adding a new chapter to Title 48 RCW; and repealing RCW 48.62.036.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 48.01.050 and 2009 c 314 s 19 are each amended to  
6 read as follows:

7 "Insurer" as used in this code includes every person engaged in  
8 the business of making contracts of insurance, other than a fraternal  
9 benefit society. A reciprocal or interinsurance exchange is an  
10 "insurer" as used in this code. Two or more hospitals that join and  
11 organize as a mutual corporation pursuant to chapter 24.06 RCW for  
12 the purpose of insuring or self-insuring against liability claims,  
13 including medical liability, through a contributing trust fund are  
14 not an "insurer" under this code. Two or more local governmental  
15 entities, under any provision of law, that join together and organize  
16 to form an organization for the purpose of jointly self-insuring or  
17 self-funding are not an "insurer" under this code. Two or more  
18 affordable housing entities that join together and organize to form  
19 an organization for the purpose of jointly self-insuring or self-  
20 funding under chapter 48.64 RCW are not an "insurer" under this code.  
21 Two or more persons engaged in the business of commercial fishing who

1 enter into an arrangement with other such persons for the pooling of  
2 funds to pay claims or losses arising out of loss or damage to a  
3 vessel or machinery used in the business of commercial fishing and  
4 owned by a member of the pool are not an "insurer" under this  
5 code. Two or more nonprofit corporations that join together and  
6 organize to form an organization for the purpose of jointly self-  
7 insuring or self-funding for property and liability risks under  
8 chapter 48.--- RCW (the new chapter created in section 19 of this  
9 act) are not an "insurer" under this code.

10 **Sec. 2.** RCW 48.62.021 and 2011 1st sp.s. c 43 s 520 are each  
11 reenacted and amended to read as follows:

12 Unless the context clearly requires otherwise, the definitions in  
13 this section apply throughout this chapter.

14 (1) "Health and welfare benefits" means a plan or program  
15 established by a local government entity or entities for the purpose  
16 of providing its employees and their dependents, and in the case of  
17 school districts, its district employees, students, directors, or any  
18 of their dependents, with health care, accident, disability, death,  
19 and salary protection benefits.

20 (2) "Local government entity" or "entity" means every unit of  
21 local government, both general purpose and special purpose, and  
22 includes, but is not limited to, counties, cities, towns, port  
23 districts, public utility districts, water-sewer districts, school  
24 districts, fire protection districts, irrigation districts,  
25 metropolitan municipal corporations, conservation districts, and  
26 other political subdivisions, governmental subdivisions, municipal  
27 corporations, ~~((and))~~ quasi-municipal corporations, nonprofit  
28 corporations comprised of only units of local government, or a group  
29 comprised of local governments joined by an interlocal agreement  
30 authorized by chapter 39.34 RCW.

31 (3) "Nonprofit corporation" or "corporation" has the same meaning  
32 as defined in RCW 24.03.005(3) or a similar statute with similar  
33 intent within the entity's state of domicile.

34 (4) "Property and liability risks" includes the risk of property  
35 damage or loss sustained by a local government entity and the risk of  
36 claims arising from the tortious or negligent conduct or any error or  
37 omission of the local government entity, its officers, employees,  
38 agents, or volunteers as a result of which a claim may be made  
39 against the local government entity.

1 (5) "Risk assumption" means a decision to absorb the entity's  
2 financial exposure to a risk of loss without the creation of a formal  
3 program of advance funding of anticipated losses.

4 (6) "Self-insurance" means a formal program of advance funding  
5 and management of entity financial exposure to a risk of loss that is  
6 not transferred through the purchase of an insurance policy or  
7 contract.

8 (7) "State risk manager" means the risk manager of the office of  
9 risk management within the department of enterprise services.

10 **Sec. 3.** RCW 48.62.031 and 2005 c 147 s 1 are each amended to  
11 read as follows:

12 (1) The governing body of a local government entity may  
13 individually self-insure, may join or form a self-insurance program  
14 together with other entities, and may jointly purchase insurance or  
15 reinsurance with other entities for property and liability risks, and  
16 health and welfare benefits only as permitted under this chapter. In  
17 addition, the entity or entities may contract for or hire personnel  
18 to provide risk management, claims, and administrative services in  
19 accordance with this chapter.

20 (2) The agreement to form a joint self-insurance program shall be  
21 made under chapter 39.34 RCW and may create a separate legal or  
22 administrative entity with powers delegated thereto. (~~Such entity~~  
23 ~~may include or create a nonprofit corporation organized under chapter~~  
24 ~~24.03 or 24.06 RCW or a partnership organized under chapter 25.04~~  
25 ~~RCW.~~)

26 (3) Every individual and joint self-insurance program is subject  
27 to audit by the state auditor.

28 (4) If provided for in the agreement or contract established  
29 under chapter 39.34 RCW, a joint self-insurance program may, in  
30 conformance with this chapter:

31 (a) Contract or otherwise provide for risk management and loss  
32 control services;

33 (b) Contract or otherwise provide legal counsel for the defense  
34 of claims and other legal services;

35 (c) Consult with the state insurance commissioner and the state  
36 risk manager;

37 (d) Jointly purchase insurance and reinsurance coverage in such  
38 form and amount as the program's participants agree by contract;

1 (e) Obligate the program's participants to pledge revenues or  
2 contribute money to secure the obligations or pay the expenses of the  
3 program, including the establishment of a reserve or fund for  
4 coverage; and

5 (f) Possess any other powers and perform all other functions  
6 reasonably necessary to carry out the purposes of this chapter.

7 (5) A (~~local government entity~~) self-insurance program formed  
8 and governed under this chapter that has decided to assume a risk of  
9 loss must have available for inspection by the state auditor a  
10 written report indicating the class of risk or risks the governing  
11 body of the entity has decided to assume.

12 (6) Every joint self-insurance program governed by this chapter  
13 shall appoint the risk manager as its attorney to receive service of,  
14 and upon whom shall be served, all legal process issued against it in  
15 this state upon causes of action arising in this state.

16 (a) Service upon the risk manager as attorney shall constitute  
17 service upon the program. Service upon joint insurance programs  
18 subject to chapter 30, Laws of 1991 1st sp. sess. can be had only by  
19 service upon the risk manager. At the time of service, the plaintiff  
20 shall pay to the risk manager a fee to be set by the risk manager,  
21 taxable as costs in the action.

22 (b) With the initial filing for approval with the risk manager,  
23 each joint self-insurance program shall designate by name and address  
24 the person to whom the risk manager shall forward legal process so  
25 served upon him or her. The joint self-insurance program may change  
26 such person by filing a new designation.

27 (c) The appointment of the risk manager as attorney shall be  
28 irrevocable, shall bind any successor in interest or to the assets or  
29 liabilities of the joint self-insurance program, and shall remain in  
30 effect as long as there is in force in this state any contract made  
31 by the joint self-insurance program or liabilities or duties arising  
32 therefrom.

33 (d) The risk manager shall keep a record of the day and hour of  
34 service upon him or her of all legal process. A copy of the process,  
35 by registered mail with return receipt requested, shall be sent by  
36 the risk manager, to the person designated for the purpose by the  
37 joint self-insurance program in its most recent such designation  
38 filed with the risk manager. No proceedings shall be had against the  
39 joint self-insurance program, and the program shall not be required

1 to appear, plead, or answer, until the expiration of forty days after  
2 the date of service upon the risk manager.

3 **Sec. 4.** RCW 48.62.141 and 1991 sp.s. c 30 s 14 are each amended  
4 to read as follows:

5 Every joint self-insurance program covering liability or property  
6 risks, excluding multistate programs governed by RCW 48.62.081 and  
7 nonprofit risk pools formed under RCW 48.62.036 and chapter 48.---  
8 RCW (the new chapter created in section 19 of this act), shall  
9 provide for the contingent liability of participants in the program  
10 if assets of the program are insufficient to cover the program's  
11 liabilities.

12 NEW SECTION. **Sec. 5.** This chapter is intended to provide  
13 authority for two or more nonprofit corporations to participate in a  
14 joint self-insurance program covering property or liability risks.  
15 This chapter provides nonprofit corporations with the authority to  
16 jointly self-insure property and liability risks, jointly purchase  
17 insurance or reinsurance, and contract for risk management, claims,  
18 and administrative services with other nonprofit corporations. This  
19 chapter must be liberally construed to grant nonprofit corporations  
20 maximum flexibility in jointly self-insuring to the extent the self-  
21 insurance programs are operated in a safe and sound manner. This  
22 chapter is intended to require prior approval for the establishment  
23 of every joint self-insurance program. In addition, this chapter is  
24 intended to require every joint self-insurance program for nonprofit  
25 corporations established under this chapter to notify the state of  
26 the existence of the program and to comply with the regulatory and  
27 statutory standards governing the management and operation of the  
28 programs as provided in this chapter. This chapter is not intended to  
29 authorize or regulate self-insurance of unemployment compensation  
30 under chapter 50.44 RCW or industrial insurance under chapter 51.14  
31 RCW.

32 NEW SECTION. **Sec. 6.** The definitions in this section apply  
33 throughout this chapter unless the context clearly requires  
34 otherwise.

35 (1) "Nonprofit corporation" or "corporation" has the same meaning  
36 as defined in RCW 24.03.005.

1 (2) "Property and liability risks" includes the risk of property  
2 damage or loss sustained by a nonprofit corporation and the risk of  
3 claims arising from the tortious or negligent conduct or any error or  
4 omission of the entity, its officers, employees, agents, or  
5 volunteers as a result of a claim that may be made against the  
6 entity.

7 (3) "Self-insurance" means a formal program of advance funding  
8 and management of entity financial exposure to a risk of loss that is  
9 not transferred through the purchase of an insurance policy or  
10 contract.

11 (4) "State risk manager" means the risk manager of the office of  
12 risk management within the department of enterprise services.

13 NEW SECTION. **Sec. 7.** (1) The governing body of a nonprofit  
14 corporation may join or form a self-insurance program together with  
15 one or more other nonprofit corporations, and may jointly purchase  
16 insurance or reinsurance with one or more other nonprofit  
17 corporations for property and liability risks only as permitted under  
18 this chapter. Nonprofit corporations may contract for or hire  
19 personnel to provide risk management, claims, and administrative  
20 services in accordance with this chapter.

21 (2) The agreement to form a joint self-insurance program may  
22 include the organization of a separate legal or administrative entity  
23 with powers delegated to the entity. The entity may include or create  
24 a nonprofit corporation as defined in RCW 48.62.021.

25 (3) If provided for in the organizational documents, a joint  
26 self-insurance program may, in conformance with this chapter:

27 (a) Contract or otherwise provide for risk management and loss  
28 control services;

29 (b) Contract or otherwise provide legal counsel for the defense  
30 of claims and other legal services;

31 (c) Consult with the state insurance commissioner and the state  
32 risk manager;

33 (d) Jointly purchase insurance and reinsurance coverage in a form  
34 and amount as provided for in the organizational documents;

35 (e) Obligate the program's participants to pledge funds or  
36 revenues to secure the obligations or pay the expenses of the  
37 program, including the establishment of a reserve fund for coverage,  
38 including an additional assessment if the reserve fund or the

1 program's revenue or assets are insufficient to cover the program's  
2 liabilities; and

3 (f) Possess any other powers and perform all other functions  
4 reasonably necessary to carry out the purposes of this chapter.

5 (4) Every joint self-insurance program governed by this chapter  
6 must appoint the state risk manager as its attorney to receive  
7 service of, and upon whom must be served, all legal process issued  
8 against the program in this state upon causes of action arising in  
9 this state.

10 (a) Service upon the state risk manager as attorney constitutes  
11 service upon the program. Service upon joint self-insurance programs  
12 subject to this chapter may only occur by service upon the state risk  
13 manager. At the time of service, the plaintiff shall pay to the state  
14 risk manager a fee to be set by the state risk manager, taxable as  
15 costs in the action.

16 (b) With the initial filing for approval with the state risk  
17 manager, each joint self-insurance program must designate by name and  
18 address the person to whom the state risk manager must forward legal  
19 process that is served upon him or her. The joint self-insurance  
20 program may change this person by filing a new designation.

21 (c) The appointment of the state risk manager as attorney is  
22 irrevocable, binds any successor in interest or to the assets or  
23 liabilities of the joint self-insurance program, and remains in  
24 effect as long as there is in force in this state any contract made  
25 by the joint self-insurance program or liabilities or duties arising  
26 from the contract.

27 (d) The state risk manager shall keep a record of the day and  
28 hour of service upon him or her of all legal process. A copy of the  
29 process, by registered mail with return receipt requested, must be  
30 sent by the state risk manager to the person designated to receive  
31 legal process by the joint self-insurance program in its most recent  
32 designation filed with the state risk manager. Proceedings may not  
33 commence against the joint self-insurance program, and the program is  
34 not required to appear, plead, or answer, until the expiration of  
35 forty days after the date of service upon the state risk manager.

36 (e) For any legal process issued against the program for causes  
37 of action arising outside of this state, the program shall provide  
38 the state risk manager a copy of such claim.

39 (5) A nonprofit joint self-insurance program previously  
40 established under chapter 48.62 RCW may continue its operations

1 without interruption. All previously approved operating documents  
2 under chapter 48.62 RCW including, but not limited to, applications,  
3 state-granted authorities, approvals to operate, certificates of  
4 incorporation, articles of incorporation, membership documents,  
5 executed contracts, and other applicable items or authorities remain  
6 in effect without reapproval.

7 (6) A nonprofit joint self-insurance program previously  
8 established under and governed by chapter 48.62 RCW is not required  
9 to reapply for authority to operate as previously approved by the  
10 state risk manager in its original application.

11 NEW SECTION. **Sec. 8.** This chapter does not apply to a nonprofit  
12 corporation that:

13 (1) Individually self-insures for property and liability risks;

14 (2) Participates in a risk pooling arrangement, including a risk  
15 retention group or a risk purchasing group, regulated under chapter  
16 48.92 RCW, or is a captive insurer authorized in its state of  
17 domicile;

18 (3) Comprises only units of local government or is a group that  
19 comprises local governments joined by an interlocal agreement  
20 authorized by chapter 39.34 RCW; or

21 (4) Is a hospital licensed under chapter 70.41 RCW, or an entity  
22 owned, operated, controlled by, or affiliated with such a hospital  
23 that participates in a self-insurance risk pool or other risk pooling  
24 arrangement.

25 NEW SECTION. **Sec. 9.** The state risk manager shall adopt rules  
26 governing the management and operation of joint self-insurance  
27 programs for nonprofit corporations that cover property or liability  
28 risks. All rules must be appropriate for the type of program and  
29 class of risk covered. The state risk manager's rules must include:

30 (1) Standards for the management, operation, and solvency of  
31 joint self-insurance programs, including the necessity and frequency  
32 of actuarial analyses and claims audits;

33 (2) Standards for claims management procedures;

34 (3) Standards for contracts between joint self-insurance programs  
35 and private businesses, including standards for contracts between  
36 third-party administrators and programs; and

37 (4) Standards requiring pool verification of each member's  
38 nonprofit status in their state of domicile.



1        NEW SECTION.    **Sec. 10.**    Before the establishment of a joint self-  
2 insurance program covering property or liability risks by nonprofit  
3 corporations, the entities must obtain the approval of the state risk  
4 manager. The entities proposing the creation of a joint self-  
5 insurance program requiring prior approval shall submit a plan of  
6 management and operation to the state risk manager that provides at  
7 least the following information:

8            (1) The risk or risks to be covered, including any coverage  
9 definitions, terms, conditions, and limitations;

10           (2) The amount and method of funding the covered risks, including  
11 the initial capital and proposed rates and projected premiums;

12           (3) The proposed claim reserving practices;

13           (4) The proposed purchase and maintenance of insurance or  
14 reinsurance in excess of the amounts retained by the joint self-  
15 insurance program;

16           (5) The legal form of the program including, but not limited to,  
17 any articles of incorporation, bylaws, charter, or trust agreement or  
18 other agreement among the participating entities;

19           (6) The agreements with participants in the program defining the  
20 responsibilities and benefits of each participant and management;

21           (7) The proposed accounting, depositing, and investment practices  
22 of the program;

23           (8) The proposed time when actuarial analysis will be first  
24 conducted and the frequency of future actuarial analysis;

25           (9) A designation of the individual to whom service of process  
26 must be forwarded by the state risk manager on behalf of the program;

27           (10) All contracts between the program and private persons  
28 providing risk management, claims, or other administrative services;

29           (11) A professional analysis of the feasibility of the creation  
30 and maintenance of the program;

31           (12) A legal analysis or an internal revenue service opinion on  
32 the federal income tax exposure or liability of the program; and

33           (13) Any other information required by rule of the state risk  
34 manager that is necessary to determine the probable financial and  
35 management success of the program or that is necessary to determine  
36 compliance with this chapter.

37        NEW SECTION.    **Sec. 11.**    A nonprofit corporation may participate  
38 in a joint self-insurance program covering property or liability

1 risks with similar nonprofit corporations from other states if the  
2 program satisfies the following requirements:

3 (1) An ownership interest in the program is limited to some or  
4 all of the nonprofit corporations of this state and nonprofit  
5 corporations of other states that are provided insurance by the  
6 program;

7 (2) The nonprofit corporations of this state and other states  
8 shall elect a board of directors to manage the program, all of whom  
9 must be affiliated with one or more of the participating nonprofit  
10 corporations;

11 (3) The program must provide coverage through the delivery to  
12 each participating nonprofit corporation of one or more written  
13 policies affecting insurance of covered risks;

14 (4) The program must be financed, including the payment of  
15 premiums and the contribution of initial capital, in accordance with  
16 the plan of management and operation submitted to the state risk  
17 manager in accordance with this chapter;

18 (5) The financial statements of the program must be audited by a  
19 certified public accountant, and these audited financial statements  
20 must be delivered to the state risk manager not more than one hundred  
21 twenty days after the end of each fiscal year of the program;

22 (6) The investments of the program must be initiated only with  
23 financial institutions or broker-dealers, or both, doing business in  
24 those states in which participating nonprofit corporations are  
25 located, and these investments must be audited annually by the  
26 certified public accountants for the program;

27 (7) The treasurer of a multistate joint self-insurance program  
28 must be designated by resolution of the program and the treasurer  
29 must be located in the state of one of the participating entities;  
30 and

31 (8) The program must obtain approval from the state risk manager  
32 in accordance with this chapter and must remain in compliance with  
33 this chapter, unless exempt from application for reapproval, as  
34 granted under section 7 of this act.

35 NEW SECTION. **Sec. 12.** (1) Within one hundred twenty days of  
36 receipt of a plan of management and operation, the state risk manager  
37 shall either approve or disapprove of the formation of the joint  
38 self-insurance program after reviewing the plan to determine whether

1 the proposed program complies with this chapter and all rules adopted  
2 in accordance with this chapter.

3 (2) If the state risk manager denies a request for approval, the  
4 state risk manager shall specify in detail the reasons for denial and  
5 the manner in which the program fails to meet the requirements of  
6 this chapter or any rules adopted in accordance with this chapter.

7 (3) If the state risk manager determines that a joint self-  
8 insurance program covering property or liability risks is in  
9 violation of this chapter or is operating in an unsafe financial  
10 condition, the state risk manager may issue and serve upon the  
11 program an order to cease and desist from the violation or practice.

12 (a) The state risk manager shall deliver the order to the  
13 appropriate entity or entities directly or mail it to the appropriate  
14 entity or entities by certified mail with return receipt requested.

15 (b) If the program violates the order or has not taken steps to  
16 comply with the order after the expiration of twenty days after the  
17 cease and desist order has been received by the program, the program  
18 is deemed to be operating in violation of this chapter, and the state  
19 risk manager shall notify the attorney general of the violation.

20 (c) After hearing, or with the consent of a program governed  
21 under this chapter, and in addition to or in lieu of a continuation  
22 of the cease and desist order, the state risk manager may levy a fine  
23 upon the program in an amount not less than three hundred dollars and  
24 not more than ten thousand dollars. The order levying the fine must  
25 specify the period within which the fine must be fully paid. The  
26 period within which the fines must be paid must be not less than  
27 fifteen and not more than thirty days from the date of the order.  
28 Upon failure to pay the fine when due, the state risk manager shall  
29 request the attorney general to bring a civil action on the state  
30 risk manager's behalf to collect the fine. The state risk manager  
31 shall pay any fine collected to the state treasurer for deposit into  
32 the general fund.

33 (4) Each joint self-insurance program approved by the state risk  
34 manager shall annually file a report with the state risk manager  
35 providing:

36 (a) Details of any changes in the articles of incorporation,  
37 bylaws, charter, trust agreement, or other agreement among the  
38 participating nonprofit corporations;

39 (b) Copies of all the insurance coverage documents;

1 (c) A description of the program structure, including  
2 participants' retention, program retention, and excess insurance  
3 limits and attachment point;

4 (d) An actuarial analysis;

5 (e) A list of contractors and service providers;

6 (f) The financial and loss experience of the program; and

7 (g) Other information as required by rule of the state risk  
8 manager.

9 (5) A joint self-insurance program requiring the state risk  
10 manager's approval may not engage in an act or practice that in any  
11 respect significantly differs from the management and operation plan  
12 that formed the basis for the state risk manager's approval of the  
13 program unless the program first notifies the state risk manager in  
14 writing and obtains the state risk manager's approval. The state risk  
15 manager shall approve or disapprove the proposed change within sixty  
16 days of receipt of the notice. If the state risk manager denies a  
17 requested change, the state risk manager shall specify in detail the  
18 reasons for the denial and the manner in which the program would fail  
19 to meet the requirements of this chapter or any rules adopted in  
20 accordance with this chapter.

21 NEW SECTION. **Sec. 13.** (1) A joint self-insurance program may by  
22 resolution of the program designate a person having experience with  
23 investments or financial matters as treasurer of the program. The  
24 program must require a bond obtained from a surety company in an  
25 amount and under the terms and conditions that the program finds will  
26 protect against loss arising from mismanagement or malfeasance in  
27 investing and managing program funds. The program may pay the premium  
28 on the bond.

29 (2) All interest and earnings collected on joint self-insurance  
30 program funds belong to the program and must be deposited to the  
31 program's credit in the proper program account.

32 NEW SECTION. **Sec. 14.** (1) An employee or official of a  
33 participating nonprofit corporation in a joint self-insurance program  
34 may not directly or indirectly receive anything of value for services  
35 rendered in connection with the operation and management of a self-  
36 insurance program other than the salary and benefits provided by his  
37 or her employer or the reimbursement of expenses reasonably incurred  
38 in furtherance of the operation or management of the program. An

1 employee or official of a participating nonprofit corporation in a  
2 joint self-insurance program may not accept or solicit anything of  
3 value for personal benefit or for the benefit of others under  
4 circumstances in which it can be reasonably inferred that the  
5 employee's or official's independence of judgment is impaired with  
6 respect to the management and operation of the program.

7 (2) RCW 48.30.140, 48.30.150, and 48.30.157 apply to the use of  
8 insurance producers and surplus line brokers by a joint self-  
9 insurance program.

10 NEW SECTION. **Sec. 15.** A joint self-insurance program approved  
11 in accordance with this chapter is exempt from insurance premium  
12 taxes, fees assessed under chapters 48.02, 48.32, and 48.32A RCW,  
13 business and occupation taxes imposed under chapter 82.04 RCW, and  
14 any assigned risk plan or joint underwriting association otherwise  
15 required by law. This section does not apply to or provide exemptions  
16 for insurance companies issuing policies to cover program risks and  
17 third-party administrators or insurance producers serving the joint  
18 self-insurance program.

19 NEW SECTION. **Sec. 16.** (1) The state risk manager shall  
20 establish and charge an investigation fee in an amount necessary to  
21 cover the costs for the initial review and approval of a joint self-  
22 insurance program. The fee must accompany the initial submission of  
23 the plan of operation and management.

24 (2) The costs of subsequent reviews and investigations must be  
25 charged to the joint self-insurance program being reviewed or  
26 investigated in accordance with the actual time and expenses incurred  
27 in the review or investigation.

28 (3) Any program failing to remit its assessment when due is  
29 subject to denial of permission to operate or to a cease and desist  
30 order until the assessment is paid.

31 NEW SECTION. **Sec. 17.** (1) Any person who files, reports, or  
32 furnishes other information required under this title, required by  
33 the state risk manager under the authority granted under this title,  
34 or which is useful to the state risk manager in the administration of  
35 this title is immune from liability in any civil action or suit  
36 arising from the filing of any such report or furnishing such

1 information to the state risk manager, unless actual malice, fraud,  
2 or bad faith is shown.

3 (2) The state risk manager and his or her agents and employees  
4 are immune from liability in any civil action or suit arising from  
5 the publication of any report or bulletin or from dissemination of  
6 information related to the official activities of the state risk  
7 manager unless actual malice, fraud, or bad faith is shown.

8 (3) The immunity granted under this section is in addition to any  
9 common law or statutory privilege or immunity enjoyed by such person.  
10 This section is not intended to abrogate or modify in any way such  
11 common law or statutory privilege or immunity.

12 NEW SECTION. **Sec. 18.** RCW 48.62.036 (Authority to form or join  
13 a self-insurance risk pool—When section not applicable) and 2004 c  
14 255 s 3 are each repealed.

15 NEW SECTION. **Sec. 19.** Sections 5 through 17 of this act  
16 constitute a new chapter in Title 48 RCW.

--- END ---