

# SENATE BILL REPORT

## SB 5727

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As of February 13, 2017

**Title:** An act relating to public school employee benefits.

**Brief Description:** Addressing public school employee benefits.

**Sponsors:** Senators Hobbs, Rivers, Mullet, Takko, Palumbo and Keiser.

**Brief History:**

**Committee Activity:** Ways & Means: 2/14/17.

**Brief Summary of Bill**

- Directs school districts offering basic health care to provide coverage that meets certain premium cost ratios.

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### SENATE COMMITTEE ON WAYS & MEANS

**Staff:** Amanda Cecil (786-7460)

**Background:** School districts are authorized to provide health care insurance separately or through the Public Employees' Benefit Board. In 2012, legislation was enacted directing school districts that offer basic health care insurance to make progress toward offering health plans with employee premiums for full family coverage that are no more than three times the premiums for single coverage. A report by the Joint Legislative Audit and Review Committee (JLARC), published January 2016, found that only 27 of the 295 districts had met the premium ratio of three to one, and that on average full family premiums were 8.9 times more than single coverage.

**Summary of Bill:** School districts that offer basic health care must offer plans designed with premiums as follows:

- beginning with the 2018-19 school year or by January 1, 2019, full family coverage that is no more than five times more than single coverage;
- beginning with the 2019-20 school year or by January 1, 2020, full family coverage that is no more than four times more than single coverage; and
- beginning with the 2020-21 school year or by January 1, 2021, full family coverage that is no more than three times more than single coverage.

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

Any pooled savings that are used to reduce employee premiums must be used to maintain the cost ratios.

**Appropriation:** None.

**Fiscal Note:** Requested on February 3, 2017.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.