SENATE BILL REPORT SB 6044

As Reported by Senate Committee On: Local Government, January 11, 2018

Title: An act relating to insurance coverage for water-sewer district commissioners.

Brief Description: Addressing insurance coverage for water-sewer district commissioners.

Sponsors: Senators Takko and Rivers.

Brief History:

Committee Activity: Local Government: 1/09/18, 1/11/18 [DP].

Brief Summary of Bill

• Removes the requirement that a water-sewer district providing health, group, or life insurance to its employees have 5000 or more customers in order to provide the same insurance coverage to its commissioners.

SENATE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass.

Signed by Senators Takko, Chair; Short, Ranking Member; Angel and Liias.

Staff: Greg Vogel (786-7413)

Background: Water-sewer districts (districts). Districts provide water and sewer services to incorporated and unincorporated areas. District powers include the authority to purchase, construct, maintain, and supply waterworks to furnish water to inhabitants, and to develop and operate systems of sewers and drainage. Districts may also fix rates and charges for services, enter into contracts, levy taxes, and issue bonds.

The governing body of a district is a board of elected commissioners consisting of three members, or five or seven members in the event of an increase. Commissioners are elected to six-year terms of office.

<u>Insurance coverage.</u> A district may enter into contracts to provide health care services, group insurance, term life insurance, or Social Security insurance for the benefit of its employees

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and may pay all or any part of the cost. Any two or more districts may join in procuring health care services, group insurance, or term life insurance, and a participating district may authorize its respective district to pay all or any part of the cost. A district with 5000 or more customers that provides health, group, or life insurance to its employees may provide its commissioners with the same coverage. Per person amounts for such insurance paid by the district may not exceed the per person amounts paid by the district for its employees.

Summary of Bill: The requirement that a district providing health, group, or life insurance to its employees have 5000 or more customers in order to provide the same insurance coverage to its commissioners is eliminated.

Appropriation: None.

Fiscal Note: Not requested.

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

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

Staff Summary of Public Testimony: PRO: This bill goes toward an effort to try to recruit and retain qualified commissioners. It is designed as a tool for the district to offer this benefit to encourage candidates to run and serve a district as a commissioner. This bill levels the playing field for all water-sewer districts.

Persons Testifying: PRO: Senator Dean Takko, Prime Sponsor; Scott Hazlegrove, Washington Association of Sewer and Water Districts.

Persons Signed In To Testify But Not Testifying: No one.