

HOUSE BILL REPORT

HB 1045

*As Reported By House Committee on:
State Government*

Title: An act relating to the state employees' benefits board.

Brief Description: Increasing labor representation in state employees' benefits board.

Sponsor(s): Representatives Fraser, Belcher, Basich, R. Meyers and Winsley.

Brief History:

Reported by House Committee on:
State Government, February 15, 1991, DPS.

**HOUSE COMMITTEE ON
STATE GOVERNMENT**

Majority Report: *That Substitute House Bill No. 1045 be substituted therefor, and the substitute bill do pass.* Signed by 8 members: Representatives Anderson, Chair; Pruitt, Vice Chair; Bowman, Assistant Ranking Minority Member; Chandler; Grant; Moyer; O'Brien; and Sheldon.

Minority Report: *Without recommendation.* Signed by 1 member: Representative McLean, Ranking Minority Member.

Staff: Linda May (786-7135).

Background: In 1988, the Washington State Health Care Authority was created to serve two purposes: 1) to develop health care benefits programs for eligible state employees, officials, and their dependents, and 2) to study all state-purchased health care systems and alternative health care delivery systems in order to make recommendations to the state and state employees on which health care systems to select.

Within the Health Care Authority is the State Employees' Benefits Board. The board's purpose is to design and approve insurance benefit plans for state employees. The governor appoints seven members to serve on the Employees' Benefits Board. One member is the administrator of the Health Care Authority. Three members are individuals with experience in health benefits management and cost

containment. Three members are representatives of state employees. Of the three members representing state employees, one member represents an employee association, one represents an employee union, and one represents an organized group of retired public employees.

Summary of Substitute Bill: A member is added to the State Employees' Benefits Board, bringing the number of members on the board to eight. The additional member must be a representative of an employee union. The two union representatives must be from different unions. The vote by the board needed to authorize premium contributions for employees is at least six votes out of eight.

Substitute Bill Compared to Original Bill: While the original bill required the new board member to be a union representative, it was unclear whether the representative was to come from the same or a different union. The substitute bill requires them to be from different unions. The original bill did not change the number of votes required for the board to authorize premium contributions of employees. The substitute bill changes the minimum number of votes required from five out of seven to six out of eight.

Fiscal Note: Not requested.

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

Testimony For: This will provide employees with a greater voice in designing health care packages without removing the expertise on the existing board.

Testimony Against: None.

Witnesses: Gary Moore, Washington Federation of State Employees (in favor).