
HOUSE BILL 3251

State of Washington 60th Legislature 2008 Regular Session

By Representatives Williams, Kirby, and Simpson

Read first time 01/25/08. Referred to Committee on Insurance,
Financial Services & Consumer Protection.

1 AN ACT Relating to local government self-insurance programs; and
2 amending RCW 48.62.011 and 48.62.101.

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

4 **Sec. 1.** RCW 48.62.011 and 1991 sp.s. c 30 s 1 are each amended to
5 read as follows:

6 This chapter is intended to provide the exclusive source of local
7 government entity authority to individually or jointly self-insure
8 risks, jointly purchase insurance or reinsurance, and to contract for
9 risk management, claims, and administrative services. This chapter
10 shall be liberally construed to grant local government entities maximum
11 flexibility in self-insuring to the extent the self-insurance programs
12 are operated in a safe and sound manner. This chapter is intended to
13 require prior approval for the establishment of every individual local
14 government self-insured employee health and welfare benefit program and
15 every joint local government self-insurance program. In addition, this
16 chapter is intended to require every local government entity that
17 establishes a self-insurance program not subject to prior approval to
18 notify the state of the existence of the program and to comply with the
19 regulatory and statutory standards governing the management and

1 operation of the programs as provided in this chapter. This chapter is
2 not intended to authorize or regulate self-insurance of unemployment
3 compensation under chapter 50.44 RCW, or industrial insurance under
4 chapter 51.14 RCW. It is against the public policy of the state for a
5 self-insurance program governed by this chapter to pay the cost of
6 liability or defense costs for claims brought under the public records
7 act, chapter 42.56 RCW, and the open public meetings act, chapter 42.30
8 RCW.

9 **Sec. 2.** RCW 48.62.101 and 2005 c 274 s 316 are each amended to
10 read as follows:

11 (1) All self-insurance programs governed by this chapter may
12 provide for executive sessions in accordance with chapter 42.30 RCW to
13 consider litigation and settlement of claims when it appears that
14 public discussion of these matters would impair the program's ability
15 to conduct its business effectively.

16 (2) Notwithstanding any provision to the contrary contained in the
17 public records act, chapter 42.56 RCW, in a claim or action against the
18 state or a local government entity, no person is entitled to discover
19 that portion of any funds or liability reserve established for purposes
20 of satisfying a claim or cause of action, except that the reserve is
21 discoverable in a supplemental or ancillary proceeding to enforce a
22 judgment. All other records of individual or joint self-insurance
23 programs are subject to disclosure in accordance with chapter 42.56
24 RCW.

25 (3) In accordance with chapter 42.56 RCW, bargaining groups
26 representing local government employees shall have reasonable access to
27 information concerning the experience and performance of any health and
28 welfare benefits program established for the benefit of such employees.

29 (4) No self-insurance program governed by this chapter is able to
30 define the terms under which an entity complies with the public records
31 act, chapter 42.56 RCW. No self-insurance program governed by this
32 chapter may cancel or threaten to cancel insurance coverage based upon
33 an entity's decision, in consultation with its attorneys, to release
34 public records, including attorney communications, in compliance with
35 the public records act, chapter 42.56 RCW.

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