

all premiums so earned on the policies of all such members during the same thirty-six months.

(4) Upon the reorganization of a domestic mutual insurer as a domestic stock insurer under RCW 48.09.350(1) or upon reinsurance of the whole of the liabilities and transfer of all the assets of a domestic mutual insurer under RCW 48.09.350(2), the distributive share of each member entitled thereto shall be in the proportion that the aggregate premiums earned by the insurer on the policies in force of that member during the thirty-six months before the eligibility date established under RCW 48.09.360(2) bear to the aggregate of all premiums so earned during the same thirty-six months on all the policies in force of all such members who are entitled to a distributive share.

(5) if a life insurer, the insurer shall make a reasonable classification of its life insurance policies so held by such members entitled to a distributive share and a formula based upon such classification for determining the equitable distributive share of each such member. Such classification and formula shall be subject to the commissioner's approval.

Passed the Senate February 1, 1984.

Passed the House February 15, 1984.

Approved by the Governor February 21, 1984.

Filed in Office of Secretary of State February 21, 1984.

## CHAPTER 24

[Substitute Senate Bill No. 4334]

### COMMUNITY SERVICE BY OFFENDERS—LIABILITY INSURANCE—LABOR AND INDUSTRIES INDUSTRIAL INSURANCE COVERAGE

AN ACT Relating to local community service; amending section 1, chapter 266, Laws of 1981 and RCW 51.12.045; adding a new section to chapter 35.21 RCW; adding a new section to chapter 35A.21 RCW; adding a new section to chapter 36.16 RCW; repealing section 2, chapter 266, Laws of 1981 and RCW 13.40.270; and declaring an emergency.

Be it enacted by the Legislature of the State of Washington:

NEW SECTION. Sec. 1. There is added to chapter 35.21 RCW a new section to read as follows:

The legislative authority of a city or town may purchase liability insurance in an amount it deems reasonable to protect the city or town, its officers, and employees against liability for the wrongful acts of offenders or injury or damage incurred by offenders in the course of court-ordered community service, and may elect to treat offenders as employees and/or workers under Title 51 RCW.

NEW SECTION. Sec. 2. There is added to chapter 35A.21 RCW a new section to read as follows:

The legislative authority of a code city may purchase liability insurance in an amount it deems reasonable to protect the code city, its officers,

and employees against liability for the wrongful acts of offenders or injury or damage incurred by offenders in the course of court-ordered community service, and may elect to treat offenders as employees and/or workers under Title 51 RCW.

NEW SECTION. Sec. 3. There is added to chapter 36.16 RCW a new section to read as follows:

The legislative authority of a county may purchase liability insurance in an amount it deems reasonable to protect the county, its officers, and employees against liability for the wrongful acts of offenders or injury or damage incurred by offenders in the course of community service imposed by court order or pursuant to RCW 13.40.080. The legislative authority of a county may elect to treat offenders as employees and/or workers under Title 51 RCW.

Sec. 4. Section 1, chapter 266, Laws of 1981 and RCW 51.12.045 are each amended to read as follows:

~~((Juveniles))~~ Offenders performing community services ~~((under chapter 13.40))~~ pursuant to court order or under RCW 13.40.080 may be deemed employees and/or workers ~~((for all purposes relating to medical aid benefits under chapter 51.36 RCW))~~ under this title at the option of the county, city, or town under whose authorization the services are performed. Any premiums or assessments due under this title for community services work shall be the obligation of and be paid for by the county, city, or town in which the ~~((juvenile))~~ offender performed the community services ~~((from the fund created in RCW 13.40.270(2) or from any other source))~~. Coverage ~~((under this section))~~ commences when a county, city, or town has given notice to the director that it wishes to cover ~~((juveniles))~~ offenders performing community services before the occurrence of an injury or contraction of an occupational disease.

NEW SECTION. Sec. 5. Section 2, chapter 266, Laws of 1981 and RCW 13.40.270 are each repealed.

NEW SECTION. Sec. 6. This act is necessary for the immediate preservation of the public peace, health, and safety, the support of the state government and its existing public institutions, and shall take effect immediately.

Passed the Senate February 3, 1984.

Passed the House February 14, 1984.

Approved by the Governor February 21, 1984.

Filed in Office of Secretary of State February 21, 1984.