In purchasing surplus property on requisition for any ((state department or political subdivision)) eligible donee the director may advance the purchase price thereof from the surplus property purchase revolving fund, and he shall then in due course bill the proper ((state department or political subdivision)) eligible donee for the amount paid by him for the property plus a reasonable amount to cover the expense incurred by him in connection with the transaction. In purchasing surplus property without requisition, the director shall be deemed to take title outright and he shall then be authorized to resell from time to time any or all of such property to such ((state departments, political subdivisions and eligible institutions)) eligible donees as desire to avail themselves of the privilege of purchasing. All moneys received in payment for surplus property from ((state departments, political subdivisions and eligible institutions;)) eligible donees shall be deposited by the director in the surplus property purchase revolving fund. The director shall sell surplus property to ((state departments, political subdivisions and eligible institutions)) eligible donees at a price sufficient only to reimburse the surplus property purchase revolving fund for the cost of the property to the fund, plus a reasonable amount to cover expenses incurred in connection with the transaction. Where surplus property is transferred to ((a state agency, political subdivision or eligible institution)) an eligible donee without cost to the transferee, the director may impose a reasonable charge to cover expenses incurred in connection with the transaction. The governor, through the director of general administration, shall administer the surplus property program in the state and shall perform or supervise all those functions with respect to the program, its agencies and instrumentalities.

Sec. 5. Section 7, chapter 205, Laws of 1945 as amended by section 6, chapter 70, Laws of 1967 ex. sess. and RCW 39.32.060 are each amended to read as follows:

The director of general administration shall have power to promulgate such rules and regulations as may be necessary to effectuate the purposes of RCW 39-.32.010 through 39.32.060 and to carry out the provisions of the Federal Property and Administrative Services Act of 1949, as amended.

Passed the Senate May 23, 1977.

Passed the House May 20, 1977.

Approved by the Governor June 1, 1977.

Filed in Office of Secretary of State June 1, 1977.

CHAPTER 136

[Engrossed Substitute Senate Bill No. 2851]
STATE EMPLOYEES' INSURANCE AND HEALTH CARE

AN ACT Relating to state employees' insurance and health care; amending section 4, chapter 39, Laws of 1970 ex. sess. and RCW 41.05.040; amending section 5, chapter 39, Laws of 1970 ex. sess. as last amended by section 4, chapter 106, Laws of 1975-'76 2nd ex. sess. and RCW 41.05.050; amending section 7, chapter 39, Laws of 1970 ex. sess. as amended by section 5, chapter 106, Laws of 1975-'76 2nd ex. sess. and RCW 41.05.070; amending section 8, chapter 39, Laws of 1970 ex. sess. as last amended by section 6, chapter 106, Laws of 1975-'76 2nd ex. sess. and RCW 41.05.080; adding a new section to chapter 41.05 RCW; repealing section 1, chapter 6, Laws of 1977, section 34, chapter 75, Laws of 1977 and RCW 41.05.020; declaring an emergency; and prescribing an effective date.

Ch. 136 WASHINGTON LAWS, 1977 1st Ex. Sess.

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

NEW SECTION. Section 1. There is added to chapter 41.05 RCW a new section to read as follows:

The legislature, recognizing the desirability of maintaining a healthy work force in order to promote the efficiency and productivity of the employees and officials working for the state, declares it to be in the best interest of the state to provide comprehensive health care to state employees and officials and their dependents.

It is therefore the purpose of this chapter to establish health care plans that provide comprehensive health care for all qualified state employees and officials and their dependents, which plans will be funded by the employer to the fullest extent possible.

NEW SECTION. Sec. 2. There is added to chapter 41.05 RCW a new section to read as follows:

- (1) There is hereby created a state employees' insurance board to be composed of the members of the present board holding office on the day prior to the effective date of this 1977 amendatory act, which such members shall serve until the expiration of the period of time of the term for which they were appointed and until their successors are appointed and qualified. Thereafter the board shall be composed as follows: The governor or his designee; one administrative officer representing all of higher education to be appointed by the governor; two higher education faculty members to be appointed by the governor; the director of the department of personnel who shall act as trustee; one representative of an employee association certified as an exclusive representative of at least one bargaining unit of classified employees and one representative of an employee union certified as exclusive representative of at least one bargaining unit of classified employees, both to be appointed by the governor; one member of the senate who shall be appointed by the president of the senate; and one member of the house of representatives who shall be appointed by the speaker of the house. The terms of office of the administrative officer representing higher education, the two higher education faculty members, the representative of an employee association, and the representative of an employee union shall be for four years: PROVIDED, That the first term of one faculty member and one employee association or union representative member shall be for three years. Meetings of the board shall be at the call of the director of personnel. The board shall prescribe rules for the conduct of its business and shall elect a chairman and vice chairman annually. Members of the board shall receive no compensation for their services, but shall be paid for their travel expenses while on official business in accordance with RCW 43.03.050 and 43.03.060 as now existing or hereafter amended, and legislative members shall receive allowances provided for in RCW 44.04.120.
- (2) The board shall study all matters connected with the providing of adequate health care coverage, life insurance, liability insurance, accidental death and dismemberment insurance, and disability income insurance or any one of, or a combination of, the enumerated types of insurance and health care plans for employees and their dependents on the best basis possible with relation both to the welfare of the employees and to the state: PROVIDED, That liability insurance shall not be made available to dependents. The board shall design benefits, devise specifications,

analyze carrier responses to advertisements for bids, determine the terms and conditions of employee participation and coverage, and decide on the award of contracts which shall be signed by the trustee on behalf of the board: PROVIDED, That all contracts for insurance, health care plans, including panel medicine plans, or protection applying to employees covered by RCW 28B.10.660 and chapters 41-04 and 41.05 RCW shall provide that the beneficiaries of such insurance, health care plans, or protection may utilize on an equal participation basis the services of practitioners licensed pursuant to chapters 18.22, 18.25, 18.32, 18.53, 18.57, 18.71, 18.74, 18.83, and 18.88 RCW: PROVIDED FURTHER, That the boards of trustees and boards of regents of the several institutions of higher education shall retain sole authority to provide liability insurance as provided in RCW 28B.10.660. The board shall from time to time review and amend such plans. Contracts for all plans shall be rebid and awarded at least every five years.

(3) The board shall develop and provide as a part of the employee insurance benefit program an employee health care benefit plan which may be provided through a contract or contracts with regularly constituted insurance carriers or health care service contractors as defined in chapter 48.44 RCW, and a plan to be provided by a panel medicine plan in its service area only when approved by the board. Except for panel medicine plans, no more than one insurance carrier or health care service contractor shall be contracted with to provide the same plan of benefits: PROVIDED, That employees may choose participation in only one of the health care benefit plans sponsored by the board. Active employees, as defined in RCW 41.05.020 (2), eligible for medicare benefits shall have the option of continuing participation in health care programs on the same basis as all other employees or participation in medicare supplemental programs as may be developed by the board. These health care benefit plans shall provide coverage for all officials and employees and their dependents without premium cost to the individual employees and officials: PROVIDED, That the employer contribution per employee for panel medicine plans shall not exceed the employer contribution provided for in the contract entered into with the regularly constituted insurance carrier or health care service contractor. Rates for self pay segments of state employee groups will be developed from the experience of the entire group. Such self pay rates will be established based on a separate rate for the employee, the spouse, and children.

Sec. 3. Section 4, chapter 39, Laws of 1970 ex. sess. and RCW 41.05.040 are each amended to read as follows:

There is hereby created a fund within the state treasury, designated as the "state employees insurance fund", to be used by the trustee as a revolving fund for the deposit of contributions, dividends and refunds, and for payment of premiums for ((health care)) employee insurance benefit contracts entered into in accordance with instructions of the board and payments authorized by RCW 41.05.030(2). Moneys from the state employees insurance fund shall be disbursed by the state treasurer by warrants on vouchers duly authorized by the trustee.

Sec. 4. Section 5, chapter 39, Laws of 1970 ex. sess. as last amended by section 4, chapter 106, Laws of 1975-'76 2nd ex. sess. and RCW 41.05.050 are each amended to read as follows:

- (1) Every department, division, or separate agency of state government, and such county, municipal, or other political subdivisions as are covered by this chapter, shall provide contributions to insurance and health care plans for its employees and their dependents, the content of such plans to be determined by the state employees insurance board. Such contributions, which shall be paid by the county, the municipality, or other political subdivision for their employees, shall include an amount determined by the state employee's insurance board to pay the administrative expenses of the board and the salaries and wages and expenses of the benefits supervisor and other necessary personnel: PROVIDED, That this administrative service charge for state employees shall not result in an employer contribution in excess of the amount authorized by the governor and the legislature as prescribed in RCW 41.05.050(2), and that the sum of an employee's insurance premiums and administrative service charge in excess of such employer contribution shall be paid by the employee. All such contributions will be paid into the state employees insurance fund to be expended in accordance with RCW 41.05.030.
- (2) The contributions of any department, division, or separate agency of the state government, and such county, municipal, or other political subdivisions as are covered by this chapter, shall be set by the state employees insurance board, subject to the approval of the governor for availability of funds as specifically appropriated by the legislature for that purpose: PROVIDED, That nothing herein shall be a limitation on employees employed under chapter 47.64 RCW: PROVIDED FURTHER, That provision for school district personnel shall not be made under this chapter.
- (3) The trustee with the assistance of the department of personnel shall annually survey private industry and public employers in the state of Washington to determine the ((maximum)) average employer contribution for group insurance programs under the jurisdiction of the state employees insurance board. Such survey shall be reported to the board for its use in setting the amount of the recommended employer contribution((s)) to the ((various insurance)) employee insurance benefit program((s as are)) covered by this chapter. The board shall transmit a recommendation for the amount of the employer contribution to the governor and the director of the office of program planning and fiscal management for inclusion in the proposed budgets submitted to the legislature.
- Sec. 5. Section 7, chapter 39, Laws of 1970 ex. sess. as amended by section 5, chapter 106, Laws of 1975-'76 2nd ex. sess. and RCW 41.05.070 are each amended to read as follows:

The cost of any health care insurance contracts or plans to any department, division or separate agency of state, county, municipal, or other political subdivision of state government shall be ((deemed additional compensation to the employees or officials covered thereby for services rendered, and)) paid by any officer authorized to disburse such funds ((shall pay)) to the trustee for payment of the contributions due pursuant to any such contract authorized by the board.

Sec. 6. Section 8, chapter 39, Laws of 1970 ex. sess. as last amended by section 6, chapter 106, Laws of 1975-'76 2nd ex. sess. and RCW 41.05.080 are each amended to read as follows:

Retired or disabled state employees, or employees of county, municipal, or other political subdivisions covered by this chapter who are retired, may continue their

participation in insurance plans and contracts after retirement or disablement, under the qualifications, terms, conditions, and benefits set by the board: PROVID-ED, That the rates charged such retired or disabled employees for health care ((coverage shall be identical to that charged active participants)) will be developed from the same experience pool as active employees: PROVIDED FURTHER, That such retired or disabled employees shall bear the full cost of premiums required to provide such coverage: PROVIDED FURTHER, That such self pay rates will be established based on a separate rate for the employee, the spouse, and the children: PROVIDED FURTHER, That rates for a retired or disabled employee, spouse, or child who is eligible for and who elects to apply for medicare will be actuarially reduced to reflect the value of Part A and Part B of medicare. The term "retired state employees" for the purpose of this section shall include but not be limited to members of the legislature whether voluntarily or involuntarily leaving state office.

NEW SECTION. Sec. 7. Section 1, chapter 6, Laws of 1977, section 34, chapter 75, Laws of 1977 and RCW 41.05.020 are each hereby repealed.

NEW SECTION. Sec. 8. This 1977 amendatory 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 on July 1, 1977: PROVIDED, That if the state operating budget appropriations act does not contain the funds necessary for the implementation of this 1977 amendatory act in an appropriated amount sufficient to fully fund the employer's contribution to the state employee insurance benefits program which is established by the board in accordance with RCW 41.05.050 (2) and (3) as now or hereafter amended, sections 1, 5, and 6 of this 1977 amendatory act shall be null and void.

Passed the Senate May 3, 1977.

Passed the House May 23, 1977.

Approved by the Governor June 1, 1977.

Filed in Office of Secretary of State June 1, 1977.

CHAPTER 137 [Substitute House Bill No. 821] SIDEWALK RAMPS

AN ACT Relating to sidewalks; amending section 1, chapter 83, Laws of 1973 and RCW 35.68.075; adding a new section to chapter 35.68 RCW; and declaring an emergency.

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

Section 1. Section 1, chapter 83, Laws of 1973 and RCW 35.68.075 are each amended to read as follows:

(1) The standard for construction of curbs on ((each side of)) any county, city, or town street, or any connecting street or town road for which curbs and sidewalks have been prescribed by the governing body of the county, town, or city having jurisdiction thereover, shall be not less than two ramps per lineal block on or near the crosswalks at intersections. Such ramps shall be at least thirty-six inches wide and so constructed as to allow reasonable access to the crosswalk for physically handicapped persons, without uniquely endangering blind persons.