procedural rules and regulations shall be promulgated by said examining committee, subject to approval by the said president judge.

The stenographic reporter upon appointment shall thereupon become an officer of the court and shall be designated and known as the official reporter for the court or judicial district for which he is appointed: PROVID-ED, That in no event shall there be appointed more official reporters in any one county or judicial district than there are superior court judges in such county or judicial district; the appointments in each class AA county shall be made by the majority vote of the judges in said county acting en banc; the appointments in class A counties and counties of the first class may be made by each individual judge therein or by the judges in said county acting en banc. Each official reporter so appointed shall hold office during the term of office of the judge or judges appointing him, but may be removed for incompetency, misconduct or neglect of duty, and before entering upon the discharge of his duties shall take an oath to perform faithfully the duties of his office, and file a bond in the sum of two thousand dollars for the faithful discharge of his duties. Such reporter in each court is hereby declared to be a necessary part of the judicial system of the state of Washington.

<u>NEW SECTION.</u> Sec. 4. (1)(a) One additional judicial position created by section 1 of this act and the additional judicial position created by section 2 of this act shall be effective July 1, 1990.

(b) The second additional judicial position created by section 1 of this act shall be effective not later than, and at the discretion of the legislative authority may be phased in at any time before, January 1, 1994.

(2) The additional judicial positions created by sections 1 and 2 of this act in Kitsap and Thurston counties shall be effective only if the county through its duly constituted legislative authority documents its approval of any additional positions and its agreement that it will pay out of county funds, without reimbursement from the state, the expenses of such additional judicial positions as provided by statute. The additional expenses include, but are not limited to, expenses incurred for court facilities.

Passed the Senate March 2, 1990. Passed the House February 28, 1990. Approved by the Governor March 26, 1990. Filed in Office of Secretary of State March 26, 1990.

CHAPTER 187

[Senate Bill No. 6834] BASIC HEALTH BENEFITS FOR SMALL BUSINESSES

AN ACT Relating to basic health benefits for small businesses; adding a new section to chapter 48.21 RCW; adding a new section to chapter 48.44 RCW; adding a new section to chapter 48.46 RCW; and creating new sections.

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

<u>NEW SECTION.</u> Sec. 1. The legislature finds that the rising cost of comprehensive group health coverage is exceeding the affordability of many small businesses and their employees. The legislature further finds that certain public policies have an adverse impact on the cost of such coverage. It is therefore the intent of the legislature to reduce costs by authorizing the development of basic hospital and medical coverage for small groups.

<u>NEW SECTION.</u> Sec. 2. A new section is added to chapter 48.21 RCW to read as follows:

A basic group disability insurance policy may be offered to employers of fewer than twenty-five employees. Such a basic group disability insurance policy shall provide coverage for hospital expenses and services rendered by a physician licensed under chapter 18.57 or 18.71 RCW but is not subject to the requirements of RCW 48.21.130, 48.21.140, 48.21.141, 48-.21.142, 48.21.144, 48.21.146, 48.21.160 through 48.21.197, 48.21.200, 48-.21.220, 48.21.225, 48.21.230, 48.21.235, 48.21.240, 48.21.244, 48.21.250, 48.21.300, 48.21.310, or 48.21.320.

Nothing in this section shall prohibit an insurer from offering, or a purchaser from seeking, benefits in excess of the basic coverage authorized herein. All forms, policies, and contracts shall be submitted for approval to the commissioner, and the rates of any plan offered under this section shall be reasonable in relation to the benefits thereto.

The policy authorized by this section shall not supplant or supersede any existing policy for the benefit of employees in this state. Nothing in this section shall restrict the right of employees to collectively bargain for insurance providing benefits in excess of those provided herein.

<u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 48.44 RCW to read as follows:

A basic health care service contract may be offered to employers of fewer than twenty-five employees. Such a basic health care service contract shall provide coverage for hospital expenses and services rendered by a physician licensed under chapter 18.57 or 18.71 RCW but is not subject to the requirements of RCW 48.44.225, 48.44.240, 48.44.245, 48.44.290, 48.44.300, 48.44.310, 48.44.320, 48.44.325, 48.44.330, 48.44.335, 48.44.340, 48.44.340, 48.44.440, 48.44.450, and 48.44.460.

Nothing in this section shall prohibit an insurer from offering, or a purchaser from seeking, benefits in excess of the basic coverage authorized herein. All forms, policies, and contracts shall be submitted for approval to the commissioner, and the rates of any plan offered under this section shall be reasonable in relation to the benefits thereto.

The policy authorized by this section shall not supplant or supersede any existing policy for the benefit of employees in this state. Nothing in this section shall restrict the right of employees to collectively bargain for insurance providing benefits in excess of those provided herein.

<u>NEW SECTION.</u> Sec. 4. A new section is added to chapter 48.46 RCW to read as follows:

A basic health maintenance agreement may be offered to employers of fewer than twenty-five employees. Such a basic health maintenance agreement shall provide coverage for hospital expenses and services rendered by a physician licensed under chapter 18.57 or 18.71 RCW but is not subject to the requirements of RCW 48.46.275, 48.46.280, 48.46.285, 48.46.290, 48.46.350, 48.46.355, 48.46.375, 48.46.440, 48.46.480, 48.46.510, 48.46.520, and 48.46.530.

Nothing in this section shall prohibit an insurer from offering, or a purchaser from seeking, benefits in excess of the basic coverage authorized herein. All forms, policies, and contracts shall be submitted for approval to the commissioner, and the rates of any plan offered under this section shall be reasonable in relation to the benefits thereto.

The policy authorized by this section shall not supplant or supersede any existing policy for the benefit of employees in this state. Nothing in this section shall restrict the right of employees to collectively bargain for insurance providing benefits in excess of those provided herein.

<u>NEW SECTION.</u> Sec. 5. The commissioner shall collect data from disability insurers, healt's care service contractors, and health maintenance organizations relating to the coverage sold pursuant to this act. The data shall include the number of groups purchasing coverage, the number of insureds, subscribers, members and their dependents under coverage, and the rates and rate increases or decreases of the coverage. Not later than November 1, 1992, the commissioner shall assemble a written summary of this data, which shall be made available to the governor, appropriate legislative committees, and other interested individuals.

<u>NEW SECTION.</u> Sec. 6. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

Passed the Senate February 13, 1990. Passed the House March 1, 1990. Approved by the Governor March 26, 1990. Filed in Office of Secretary of State March 26, 1990.