

In 2017, the Washington State Legislature passed EHB 2242 — a comprehensive bill that reformed the state’s basic education funding, including school employee health benefits. It established a nine-member School Employees’ Benefits Board (SEBB) as part of a consolidated school district employee health benefits purchasing program in the Health Care Authority. **Despite an entirely different funding model, all eligible educational service district (ESD) employees were included in these sweeping changes to health benefits.**

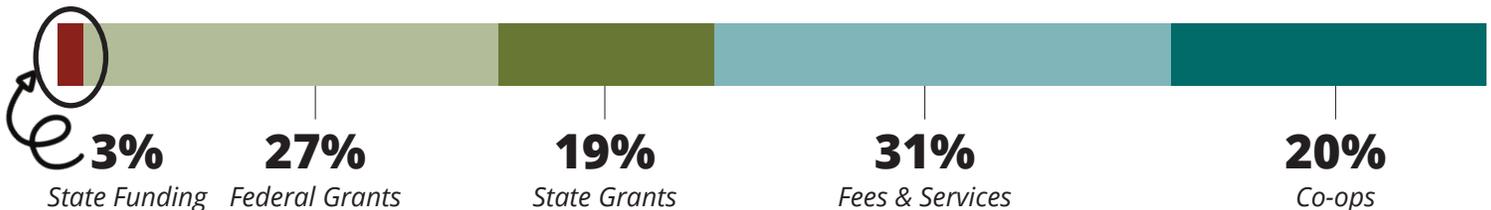
These changes were to take effect in January 2020. However, in 2019, the Legislature passed ESHB 2140, which delays the enrollment of eligible **non-represented** ESD employees in the SEBB until January 1, 2024, while the HCA studied the impact. Eligible **represented** ESD employees have been enrolled in SEBB since January 1, 2020.

## What are educational service districts?

Created by the Washington State Legislature in 1969, ESDs help school districts save money by pooling resources, provide essential services for school districts and communities, and help OSPI implement education initiatives. Washington has nine ESDs across the state.

## How is Capital Region ESD 113 funded?

In 2020–21, ESD 113 received \$1 million of core funding from the state. Through **entrepreneurial activities**, we were able to leverage that money into \$39.8 million for services to students, families and districts in our region.



## What health benefits do ESD 113 staff receive?

- **PEBB:** 244 non-represented employees have health coverage through the Public Employees’ Benefits Board (PEBB) program
- **SEBB:** 76 represented employees, who work in our *federal grant-funded* Early Learning program

## How does the Early Learning Program pay for SEBB?

The State provides **NO funding** for the health benefits of our represented employees. Our Early Learning program must pay for SEBB using federal grant dollars. This reduces the amount available for us to use to support children and families.

## How do costs compare before and after SEBB?

- In 2019, represented employees who worked more than **1040 hours per year** were eligible to receive health care benefits through the ESD.

**ANNUAL COST PER EMPLOYEE: \$5,964**

- After SEBB requirements took effect in 2020, represented employees who worked more than **630 hours per year** are now eligible to receive health care benefits through the ESD.

**ANNUAL COST PER EMPLOYEE: \$11,616**



## RECOMMENDATION

**SUPPORT SB 5539 / HB 1762** to provide state funding for the employer cost of SEBB for represented ESD employees.