

March 16, 1999

“A”

Subject: Board Member Health Insurance

Opinion no: O-99-1 **Redacted Version**

Dear “A”:

You asked whether a Washington state chartered credit union (WSCCU) can provide health, accident, and related types of personal insurance (insurance) to its board members.

The Washington State Credit Union Act does not prohibit a credit union's directors or committee members from receiving incidental services which are available to the credit union's employees generally. RCW 31.12.365 (1)

Therefore, we do not object to a WSCCU purchasing insurance for its board members or committee members with the following conditions:

1. The insurance is reasonable in coverage and amount,
2. The insurance is the same as offered to its employees, and
3. The insurance ceases immediately upon the insured person's leaving office, except for any residual claims pending at the time the insured person leaves office. Of course, if the insured person continues as an employee of the credit union, he or she may still be eligible as other employees on such insurance.

Let me know if you have any other questions.

Sincerely,

Linda K. Jekel
Program Manager