

CERTIFICATION OF ENROLLMENT

**SENATE BILL 6328**

Chapter 172, Laws of 2014

63rd Legislature  
2014 Regular Session

STATE EMPLOYEES--DEFERRED COMPENSATION PLANS

EFFECTIVE DATE: 06/12/14

Passed by the Senate February 18, 2014  
YEAS 47 NAYS 0

BRAD OWEN

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**President of the Senate**

Passed by the House March 7, 2014  
YEAS 98 NAYS 0

FRANK CHOPP

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**Speaker of the House of Representatives**

Approved March 31, 2014, 3:25 p.m.

JAY INSLEE

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**Governor of the State of Washington**

CERTIFICATE

I, Hunter G. Goodman, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SENATE BILL 6328** as passed by the Senate and the House of Representatives on the dates hereon set forth.

HUNTER G. GOODMAN

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**Secretary**

FILED

March 31, 2014

**Secretary of State  
State of Washington**

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**SENATE BILL 6328**

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Passed Legislature - 2014 Regular Session

**State of Washington                      63rd Legislature                      2014 Regular Session**

**By Senators Roach and Kline**

Read first time 01/21/14. Referred to Committee on Ways & Means.

1            AN ACT Relating to deferred compensation plans; and amending RCW  
2 41.50.770.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4            **Sec. 1.** RCW 41.50.770 and 2010 1st sp.s. c 7 s 29 are each amended  
5 to read as follows:

6            (1) "Employee" as used in this section and RCW 41.50.780 includes  
7 all full-time, part-time, and career seasonal employees of the state,  
8 a county, a municipality, or other political subdivision of the state,  
9 whether or not covered by civil service; elected and appointed  
10 officials of the executive branch of the government, including full-  
11 time members of boards, commissions, or committees; justices of the  
12 supreme court and judges of the court of appeals and of the superior  
13 and district courts; and members of the state legislature or of the  
14 legislative authority of any county, city, or town.

15            (2) The state, through the department, and any county,  
16 municipality, or other political subdivision of the state acting  
17 through its principal supervising official or governing body is  
18 authorized to contract with an employee to defer a portion of that  
19 employee's income, which deferred portion shall in no event exceed the

1 amount allowable under 26 U.S.C. Sec. 457, and deposit or invest such  
2 deferred portion in a credit union, savings and loan association, bank,  
3 or mutual savings bank or purchase life insurance, shares of an  
4 investment company, individual securities, or fixed and/or variable  
5 annuity contracts from any insurance company or any investment company  
6 licensed to contract business in this state.

7 (3) Employees participating in the state deferred compensation plan  
8 administered by the department shall self-direct the investment of the  
9 deferred portion of their income through the selection of investment  
10 options as set forth in subsection (4) of this section.

11 (4) The department can provide such plans as it deems are in the  
12 interests of state employees. In addition to the types of investments  
13 described in this section, the state investment board, with respect to  
14 the state deferred compensation plan, shall invest the deferred portion  
15 of an employee's income, without limitation as to amount, in accordance  
16 with RCW 43.84.150, 43.33A.140, and 41.50.780, and pursuant to  
17 investment policy established by the state investment board for the  
18 state deferred compensation plans. The state investment board, after  
19 consultation with the director regarding any recommendations made  
20 pursuant to RCW 41.50.088(2), shall provide a set of options for  
21 participants to choose from for investment of the deferred portion of  
22 their income. Any income deferred under such a plan shall continue to  
23 be included as regular compensation, for the purpose of computing the  
24 state or local retirement and pension benefits earned by any employee.

25 (5) Coverage of an employee under a deferred compensation plan  
26 under this section shall not render such employee ineligible for  
27 simultaneous membership and participation in any pension system for  
28 public employees.

Passed by the Senate February 18, 2014.

Passed by the House March 7, 2014.

Approved by the Governor March 31, 2014.

Filed in Office of Secretary of State March 31, 2014.