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**SENATE BILL 5367**

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**State of Washington 67th Legislature 2021 Regular Session**

**By** Senator Conway; by request of Select Committee on Pension Policy

AN ACT Relating to directing the department of retirement systems to create rules regarding automatic refunds of retirement contributions in the retirement systems listed in RCW 41.50.030; and adding a new section to chapter 41.50 RCW.

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

NEW SECTION. **Sec.**  A new section is added to chapter 41.50 RCW to read as follows:

(1) By January 1, 2022, the department will establish by rule an effective means of:

(a) Identifying inactive accounts of nonvested members of the retirement systems listed in RCW 41.50.030 whose account balance is less than one thousand dollars; and

(b) Providing for the orderly closing and refunding of member account balances in those accounts in accordance with the federal internal revenue code.

(2) The refund of a member's account balance will terminate all rights to future benefits, unless otherwise restored under the rules for each of the respective retirement systems.

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