

**WAC 415-501-400 What is automatic enrollment?** Effective January 1, 2017, state agencies and higher education employers must automatically enroll new full-time employees into the deferred compensation program (DCP). Students who work at a college or university, seasonal employees, and retirees who return to employment are exempt from automatic enrollment but may voluntarily enroll at any time. Local employers, including school districts, may use the automatic enrollment provisions by submitting a resolution to the department.

For state employees and some higher education employees, full-time status is defined in WAC 357-01-174. For employees not covered under WAC 357-01-174, the definition of "full time" is at the employer's discretion.

The default deferral amount is pre-tax with a rate of three percent of your taxable compensation. You may change these at any time (see WAC 415-501-450 for details).

The default investment is the Retirement Strategy Fund that assumes you will retire at age 65. You may change your investments at any time (see WAC 415-501-475 for details).

If you are automatically enrolled in DCP, you will receive a mailed notification of automatic enrollment. If you want to alter your automatic enrollment, here are some actions you can take:

(1) Opt out: To prevent the three percent deferral from being deducted from your paycheck, opt out within 30 days of the date on the automatic enrollment notification. To do so, change the three percent default deduction to zero through your established online account or by contacting the DCP record keeper.

(2) Suspend enrollment and remove your contributions: Following your automatic enrollment, you may withdraw DCP deferrals that have been taken from your paycheck. To do so, change the three percent default deduction to zero and request a permissible withdrawal request form. The completed withdrawal request must be received by the DCP record keeper within 90 days of your first payroll contribution under this section. You will receive a distribution of your contributions, plus or minus earnings. These distributions are not eligible for roll-over. If you do not request a permissible withdrawal within 90 days from your first payroll contribution, your contributions will be subject to the provisions for distributions described in WAC 415-501-485.

(3) Change your contribution: Adjust your contributions to a smaller or larger whole percentage or select a specific whole dollar amount. With DCP, you may change your contribution amount at any time. Changing your contribution within the first 90 days of automatic enrollment verifies your participation in the program, making you no longer eligible for permissible withdrawal.

(4) Change your investment selection: Select another DCP investment option. With DCP, you can change your investment options at any time.

(5) Reenroll: If you opt out, you may reenroll in DCP at any time (see WAC 415-501-410).

[Statutory Authority: RCW 41.50.050 and 41.50.770. WSR 24-15-068, § 415-501-400, filed 7/17/24, effective 8/17/24. Statutory Authority: RCW 41.50.050, 41.50.770, and SECURE Act 2.0 § 603. WSR 23-18-025, § 415-501-400, filed 8/25/23, effective 9/25/23. Statutory Authority: RCW 41.50.050(5). WSR 16-24-013, § 415-501-400, filed 11/28/16, effective 1/1/17.]