

CERTIFICATION OF ENROLLMENT

**SUBSTITUTE SENATE BILL 6221**

Chapter 76, Laws of 2018

65th Legislature  
2018 Regular Session

WASHINGTON ACHIEVING A BETTER LIFE EXPERIENCE PROGRAM ACCOUNT

EFFECTIVE DATE: June 7, 2018

Passed by the Senate February 7, 2018  
Yeas 47 Nays 1

CYRUS HABIB

**President of the Senate**

Passed by the House February 27, 2018  
Yeas 98 Nays 0

FRANK CHOPP

**Speaker of the House of Representatives**

Approved March 15, 2018 11:37 AM

JAY INSLEE

**Governor of the State of Washington**

CERTIFICATE

I, Brad Hendrickson, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 6221** as passed by Senate and the House of Representatives on the dates hereon set forth.

BRAD HENDRICKSON

**Secretary**

FILED

March 16, 2018

**Secretary of State  
State of Washington**

---

**SUBSTITUTE SENATE BILL 6221**

---

Passed Legislature - 2018 Regular Session

**State of Washington**

**65th Legislature**

**2018 Regular Session**

**By** Senate Health & Long Term Care (originally sponsored by Senators Walsh and Darneille; by request of Department of Commerce)

READ FIRST TIME 01/31/18.

1       AN ACT Relating to the Washington achieving a better life  
2 experience program account; and amending RCW 43.330.460, 43.330.462,  
3 and 43.330.464.

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

5       **Sec. 1.** RCW 43.330.460 and 2016 c 39 s 1 are each amended to  
6 read as follows:

7       The definitions in this section apply throughout RCW 43.330.462  
8 through 43.330.468 unless the context clearly indicates otherwise.

9       (1) "Eligible individual" means an individual eligible for the  
10 Washington achieving a better life experience program pursuant to  
11 section 529A of the federal internal revenue code of 1986, as  
12 amended.

13       (2) "Governing board" means the Washington achieving a better  
14 life experience program governing board in RCW 43.330.466.

15       (3) "Individual Washington achieving a better life experience  
16 program account" means an account established by or for an eligible  
17 individual and owned by the eligible individual pursuant to the  
18 Washington achieving a better life experience program. Any moneys  
19 placed in these accounts or achieving a better life experience  
20 program accounts established in other states shall not be counted as

1 assets for purposes of state or local means tested program  
2 eligibility or levels of state means tested program eligibility.

3 (4) "Washington achieving a better life experience program" means  
4 a savings or investment program that establishes individual  
5 Washington achieving a better life experience program accounts  
6 pursuant to section 529A of the federal internal revenue code of  
7 1986, as amended.

8 (5) "Washington achieving a better life experience program  
9 account" means the account created in RCW 43.330.462(1), to be used  
10 only for purposes of Washington achieving a better life experience  
11 program administration and operation.

12 **Sec. 2.** RCW 43.330.462 and 2016 c 39 s 2 are each amended to  
13 read as follows:

14 (1) The Washington achieving a better life experience program  
15 account is created in the custody of the state treasurer.  
16 Expenditures from the account may be used only for the purposes of  
17 administrative and operating expenses of the Washington achieving a  
18 better life experience program established under this chapter, except  
19 for expenses of the state investment board and the state treasurer as  
20 specified in this section. (~~The account must be a discrete~~  
21 ~~nontreasury account retaining its interest earnings in accordance~~  
22 ~~with RCW 43.79A.040.))~~

23 (2) The account must be self-sustaining (~~and consist of~~),  
24 include payments received from contributors to individual Washington  
25 achieving a better life experience program accounts(~~. All payments~~  
26 ~~contributed to the Washington achieving a better life experience~~  
27 ~~program are~~), held in trust, and (~~must be deposited in the account.~~  
28 ~~With the exception of investment and operating costs associated with~~  
29 ~~the investment of money paid under RCW 43.08.190, 43.33A.160, and~~  
30 ~~43.84.160, the account~~) must be credited with (~~all investment~~)  
31 income earned by the account, and contributions to individual  
32 Washington achieving a better life experience program accounts may be  
33 invested in self-directed investment options. All self-directed  
34 investment options must comply with section 529A of the federal  
35 internal revenue code of 1986, as amended. Disbursements from the  
36 account are exempt from appropriations and the allotment provisions  
37 of chapter 43.88 RCW. An appropriation is not required for  
38 expenditures.

1 (3) The assets of the account may be spent without appropriation  
2 for the purpose of making payments to individual Washington achieving  
3 a better life experience program account holders. Only the Washington  
4 achieving a better life experience governing board or the board's  
5 designee may authorize expenditures from the account.

6 (4) With regard to the assets of the account, the state acts in a  
7 fiduciary, not ownership, capacity. Therefore, the assets of the  
8 account are not considered state money, common cash, or revenue to  
9 the state.

10 **Sec. 3.** RCW 43.330.464 and 2016 c 39 s 3 are each amended to  
11 read as follows:

12 (1) The governing board may elect to have the state investment  
13 board or investment manager invest the money in the Washington  
14 achieving a better life experience program account. If the governing  
15 board so elects, the state investment board created in RCW 43.33A.020  
16 or the investment manager has the full power to invest, reinvest,  
17 manage, contract, sell, or exchange investment money in the  
18 Washington achieving a better life experience program account. All  
19 investment and operating costs associated with the investment of  
20 money by the state investment board must be paid pursuant to RCW  
21 43.33A.160 and 43.84.160. With the exception of these expenses, the  
22 earnings from the investment of the money must be retained by the  
23 account.

24 (2)(a) After consultation with the governing board, the state  
25 investment board or investment manager may elect to invest any self-  
26 directed accounts associated with the Washington achieving a better  
27 life experience program. The state investment board or investment  
28 manager has full authority to invest all self-directed investment  
29 moneys in accordance with this section and RCW 43.84.150. In carrying  
30 out this authority the state investment board or investment manager,  
31 after consultation with the governing board regarding any  
32 recommendations, shall provide a set of options for eligible  
33 individuals to choose from for self-directed investment. Any self-  
34 directed investment options provided must comply with section 529A of  
35 the federal internal revenue code of 1986, as amended.

36 (b) All investment and operating costs of the state investment  
37 board or investment manager associated with making self-directed  
38 investments must be paid by eligible individuals and recovered under  
39 procedures agreed to by the governing board and the state investment

1 board (~~pursuant to~~) or investment manager consistent with the  
2 principles set forth in RCW 43.33A.160. All other expenses caused by  
3 self-directed investments must be paid by the eligible individual in  
4 accordance with rules established by the governing board. With the  
5 exception of these expenses, all earnings from self-directed  
6 investments shall accrue to the eligible individual's Washington  
7 achieving a better life experience program account.

8 (c)(i) The governing board shall keep or cause to be kept full  
9 and adequate accounts and records of each eligible individual  
10 Washington achieving a better life experience program account.

11 (ii) The governing board shall account for and report on the  
12 investment of self-directed assets or may enter into an agreement  
13 with the (~~state investment board~~) recordkeepers for such accounting  
14 and reporting under this chapter.

15 (iii) The governing board's duties related to eligible individual  
16 Washington achieving a better life experience program accounts  
17 include conducting or causing to be conducted, the activities of  
18 trade instruction, settlement activities, and direction of cash  
19 movement and related wire transfers with the custodian bank and  
20 outside investment firms.

21 (iv) The governing board has sole responsibility for contracting  
22 with any recordkeepers for individual Washington achieving a better  
23 life experience program accounts and shall manage the performance of  
24 recordkeepers under those contracts.

25 (v) The (~~state investment~~) governing board has sole  
26 responsibility for contracting with outside investment firms to  
27 provide investment management for the individual Washington achieving  
28 a better life experience program accounts and shall manage the  
29 performance of investment managers under those contracts.

30 (~~(vi) The department has sole responsibility for contracting  
31 with any recordkeepers for individual participant accounts and shall  
32 manage the performance of recordkeepers under those contracts.~~)

33 (d) The (~~state treasurer~~) governing board shall designate and  
34 define the terms of engagement for the custodial banks under  
35 authority that the state treasurer shall delegate pursuant to RCW  
36 43.08.015 with the concurrence of the office of financial management.

37 (3) All investments made by the state investment board must be  
38 made with the exercise of that degree of judgment and care pursuant  
39 to RCW 43.33A.140 and the investment policy established by the state  
40 investment board.

1 (4) As deemed appropriate by the state investment board, money in  
2 the account may be commingled for investment with other funds subject  
3 to investment by the state investment board.

4 (5) The authority to establish all policies relating to the  
5 account(~~(, other than the investment policies,)~~) resides with the  
6 governing board acting to implement, design, and manage the  
7 Washington achieving a better life experience savings program that  
8 allows eligible individuals to create and maintain savings accounts.  
9 The moneys in the account may be spent only for the purposes of the  
10 Washington achieving a better life experience program.

11 (6) The (~~state investment board~~) investment manager shall  
12 routinely consult and communicate with the governing board on the  
13 investment policy, earnings of the account, and related needs of the  
14 program.

Passed by the Senate February 7, 2018.  
Passed by the House February 27, 2018.  
Approved by the Governor March 15, 2018.  
Filed in Office of Secretary of State March 16, 2018.

--- END ---