

ESSB 6069 - H AMD  
By Representative Santos

ADOPTED AND ENGROSSED 03/06/2024

1 Strike everything after the enacting clause and insert the  
2 following:

3 "PART I  
4 WASHINGTON SAVES

5 NEW SECTION. **Sec. 1.** ESTABLISHMENT. (1) Washington saves is  
6 established to serve as a vehicle through which covered employees  
7 may, on a voluntary basis, provide for additional retirement security  
8 through a state-facilitated retirement savings program in a  
9 convenient, cost-effective, and portable manner.

10 (2) Washington saves is intended as a public-private partnership  
11 that will encourage, not replace or compete with, employer-sponsored  
12 retirement plans.

13 (3) Washington saves must be designed in consultation with  
14 covered employers and covered employees to ensure that the businesses  
15 and workers intended to benefit from the program are provided ample  
16 opportunity to learn about and give input on the program design and  
17 timeline for implementation before the program is made publicly  
18 available.

19 NEW SECTION. **Sec. 2.** DEFINITIONS. The definitions in this  
20 section apply throughout this chapter unless the context clearly  
21 requires otherwise.

22 (1) "Administrative account" means the Washington saves  
23 administrative treasury trust account created in section 11 of this  
24 act.

25 (2) "Administrative agency" means the state agency or office that  
26 will provide administrative support to the governing board, beginning  
27 no later than July 1, 2027.

28 (3) "Complainant" means a covered employee, or that employee's  
29 designee who has written or legal authority to act on behalf of the  
30 employee, who files a complaint alleging an employer administrative

1 violation of section 3 of this act who learned of the alleged  
2 violation by way of their employment with a covered employer.

3 (4) "Consumer price index" means the consumer price index for all  
4 urban consumers, all items, for the Seattle area as calculated by the  
5 United States bureau of labor statistics or its successor agency.

6 (5) "Covered employee" means an individual who is 18 years of age  
7 or older, who is employed by a covered employer.

8 (6) "Covered employer" means any employer that:

9 (a) Has been in business in this state for at least two years as  
10 of the immediately preceding calendar year;

11 (b) Maintains a physical presence;

12 (c) Does not offer a qualified retirement plan to their covered  
13 employees who have had continuous employment of one year or more; and

14 (d) Employs, and at any point during the immediately preceding  
15 calendar year employed, employees working a combined minimum of  
16 10,400 hours.

17 (7) "Department" means the department of labor and industries.

18 (8) "Employer" means a person or entity engaged in a business,  
19 profession, trade, or other enterprise in the state, whether for  
20 profit or not for profit. "Employer" does not include federal or  
21 state entities, agencies, or instrumentalities, or any political  
22 subdivision thereof.

23 (9) "Employer administrative duties" include all requirements of  
24 covered employers under section 3 of this act that do not involve  
25 amounts due to the employee.

26 (10) "Employment" has the same meaning as in RCW 50.04.100.

27 (11) "Governing board" means the board created in section 4 of  
28 this act.

29 (12) "Individual account" means an IRA established by or for an  
30 individual participant and owned by the individual participant  
31 pursuant to this chapter.

32 (13) "Individual participant" means any individual who is  
33 contributing to, or has a balance credited in, an IRA through the  
34 program.

35 (14) "Internal revenue code" means the federal internal revenue  
36 code of 1986, as amended, or any successor law.

37 (15) "IRA" means a traditional or Roth individual retirement  
38 account or individual retirement annuity described in section 408(a),  
39 408(b), or 408A of the internal revenue code.

1 (16) "Payroll deduction IRA agreement" means an arrangement by  
2 which a participating employer makes payroll deductions authorized by  
3 this chapter and remits amounts deducted as contributions to IRAs on  
4 behalf of individual participants.

5 (17) "Program" means the Washington saves program established  
6 under this chapter.

7 (18) "Qualified retirement plan" means a retirement plan in  
8 compliance with applicable federal law for employees including those  
9 described in section 401(a), 401(k), 403(a), 403(b), 408(k), or  
10 408(p) of the internal revenue code. A qualified retirement plan may  
11 require continuous employment of up to one year to be eligible for  
12 employee participation.

13 (19) "Wages" means any commission, compensation, salary, or other  
14 remuneration, as defined by section 219(f)(1) of the internal revenue  
15 code, received by a covered employee from a covered employer.

16 NEW SECTION. **Sec. 3.** GENERAL PROVISIONS. (1) The program:

17 (a) Allows covered employees to contribute to an IRA through  
18 automatic payroll deductions or additional retirement savings  
19 vehicles;

20 (b) Requires covered employers to fulfill the requirements  
21 provided in subsection (3) of this section;

22 (c) Facilitates automatic enrollment for covered employees and  
23 allows for covered employees to opt out of the plan at any time;

24 (d) Has a default contribution rate, set by the governing board  
25 by rule. The default contribution rate may not be less than three  
26 percent or more than seven percent of wages; and

27 (e) Has a default escalation rate, set by the governing board by  
28 rule. The default escalation rate may not exceed one percent per  
29 year. The maximum contribution rate based on the default escalation  
30 rate may not exceed 10 percent of wages.

31 (2)(a) Covered employees, who do not opt out of the program, are  
32 automatically enrolled in the program at the default rate or at an  
33 amount expressly specified by the employee in connection with the  
34 payroll deduction IRA agreement. Individual participants may modify  
35 their contribution rates or amounts or terminate their participation  
36 in the program at any time, subject to procedure defined by rule by  
37 the governing board. All contribution amounts are subject to the  
38 dollar limits on contributions provided by federal law.

1 (b) Contributions must be invested in the default investment  
2 option unless the individual participant affirmatively elects to  
3 invest some or all balances in one or more approved investment  
4 options offered by the program. An individual participant must have  
5 the opportunity to change investments for either future contributions  
6 or existing balances, or both, subject to requirements defined by  
7 rule by the governing board.

8 (c) Individual accounts are portable. A former individual  
9 participant who is either unemployed, or is employed by a noncovered  
10 employer, must be permitted to contribute to their individual  
11 account.

12 (d) An individual participant's and former individual  
13 participant's ability to withdraw, roll over, or transfer account  
14 balances is subject to, and liable for, all fees, penalties, and  
15 taxes under applicable law.

16 (e) An individual participant's or former individual  
17 participant's ability to receive distributions of contributions and  
18 earnings is subject to applicable law.

19 (3) (a) Each covered employer must facilitate the opportunity for  
20 covered employees to participate in the program by fulfilling the  
21 following administrative duties, as defined by rule by the governing  
22 board:

23 (i) Register with the program and provide the program  
24 administrator relevant information about covered employees;

25 (ii) (A) Assist the program by offering all covered employees the  
26 choice to either participate by voluntarily contributing to an IRA or  
27 opt out; or

28 (B) Automatically enroll covered employees in a qualified  
29 retirement plan offered by a trade association or chamber of commerce  
30 and permit covered employees to opt out;

31 (iii) Timely remit participant contributions; and

32 (iv) Distribute program information and disclosures to covered  
33 employees, as provided in section 4(14) of this act.

34 (b) The employers' role in the program is solely ministerial. In  
35 accordance with federal law, employers are prohibited from  
36 contributing funds to the IRAs through the program.

37 (c) Employers are not fiduciaries with respect to, or are liable  
38 for, the program, related information, educational materials, or  
39 forms or disclosures approved by the governing board, or the  
40 selection or performance of vendors selected by the governing board.

1 An employer is not responsible for or obligated to monitor a covered  
2 employee's or individual participant's decision to participate in or  
3 opt out of the program, for contribution decisions, investment  
4 decisions, or failure to comply with the statutory eligibility  
5 conditions or limits on IRA contributions. An employer does not  
6 guarantee any investment, rate of return, or interest on assets in  
7 any individual participant account or the administrative account or  
8 is liable for any market losses, failure to realize gains, or any  
9 other adverse consequences, including the loss of favorable tax  
10 treatment or public assistance benefits, incurred by any person as a  
11 result of participating in the program. Nothing in this section  
12 relieves an employer from liability for criminal, fraudulent,  
13 tortious, or otherwise actionable conduct including liability related  
14 to the failure to remit employee contributions.

15 (4) (a) The governing board must determine the type or types of  
16 IRA accounts available under the program.

17 (b) An individual participant's contributions and earnings may be  
18 combined for investment and custodial purposes only. Separate records  
19 and accounting are required for individual accounts. Reports on the  
20 status of individual accounts must be provided to each individual  
21 participant at least annually. Individual participants must have  
22 online access to their accounts.

23 (c) Any moneys placed in these accounts may not be counted as  
24 assets for the purposes of state or local means-tested program  
25 eligibility or levels of state means-tested program eligibility.

26 NEW SECTION. **Sec. 4.** GOVERNING BOARD—RESPONSIBILITIES. (1) The  
27 governing board shall design and administer the program for the  
28 exclusive benefit of individual participants and beneficiaries with  
29 the care and skill of a knowledgeable, prudent individual.

30 (2) The governing board is comprised of 15 members as follows:

31 (a) The president of the senate shall appoint one member from  
32 each of the two largest caucuses of the senate;

33 (b) The speaker of the house of representatives shall appoint one  
34 member from each of the two largest caucuses of the house of  
35 representatives;

36 (c) The state treasurer;

37 (d) The director of the department or the director's designee;

38 and

1 (e) The following members representing the diversity and  
2 geography of the state, appointed by the governor:

3 (i) One member representing the securities industry;

4 (ii) One member representing the insurance industry;

5 (iii) One member who is a certified financial planner recommended  
6 by the national association of insurance and financial advisors of  
7 Washington;

8 (iv) One member representing the interests of small, independent  
9 businesses in Washington;

10 (v) One member representing the interests of minority-owned and  
11 women-owned businesses in Washington;

12 (vi) One member representing the Washington asset building  
13 coalition;

14 (vii) One member representing a retirement advocacy organization;

15 (viii) One member representing covered employees; and

16 (ix) One member representing covered employers.

17 (3) (a) The legislative member from the majority caucus of the  
18 house of representatives shall convene the initial meeting of the  
19 governing board. The governing board shall choose cochairs selected  
20 from the legislative membership for the design stage of the program  
21 until July 1, 2027. The governing board shall provide recommendations  
22 in the legislative report about who should be the chair of the  
23 governing board once the program is operational after July 1, 2027.

24 (b) After July 1, 2027, the legislative members of the governing  
25 board serve in an ex officio, advisory role to the governing board.

26 (4) Members who are appointed by the governor serve three-year  
27 terms and may be appointed for a second three-year term at the  
28 discretion of the governor. Members who are appointed by the governor  
29 may serve up to two terms over the course of their lifetime. The  
30 governor may stagger the terms of the appointed members.

31 (5) The governing board may appoint work groups to support the  
32 design and administration of the program. Work groups do not serve a  
33 voting function on the governing board and may include individuals  
34 who are not members of the governing board. Any work group  
35 established by the governing board is a class one group under RCW  
36 43.03.220. Work group members receive compensation accordingly.

37 (6) Other state agencies must provide appropriate and reasonable  
38 assistance to the program as needed, including gathering data and  
39 information, in order for the governing board to carry out the  
40 purposes of this chapter. The governing board may reimburse the other

1 state agencies from the administrative account for reasonable  
2 expenses incurred in providing appropriate and reasonable assistance.

3 (7) (a) The governing board must begin meeting in 2025.

4 (b) The governing board may conduct meetings remotely by  
5 teleconference or videoconference, including to obtain a quorum and  
6 to take votes on any measure.

7 (c) Each voting governing board member has one vote. The powers  
8 of the governing board must be exercised by a majority of all voting  
9 members present at the meeting of the governing board, whether in  
10 person or remotely. A quorum is required to convene a meeting of the  
11 governing board and to act on any measure before the governing board.

12 (8) The governing board shall establish, design, develop,  
13 implement, maintain, and oversee the program in accordance with this  
14 chapter and best practices for retirement saving vehicles.

15 (9) Staff support for the governing board shall be provided by:

16 (a) The department of financial institutions, until no later than  
17 June 30, 2027. The department of financial institutions may contract  
18 with a third-party entity to provide assistance or expertise during  
19 the program outreach and education, design, and implementation stage  
20 if approved by the governing board; and

21 (b) The administrative agency, beginning no later than July 1,  
22 2027.

23 (10) The governing board shall conduct an outreach and education  
24 initiative regarding the design and implementation of the program.  
25 The governing board shall consult, educate, and receive feedback from  
26 covered employers and covered employees regarding the program design  
27 and implementation. The outreach and education initiative must ensure  
28 that diverse employer and employee communities are consulted, that  
29 interpreters are provided, and that written documents and materials  
30 are translated. In order to facilitate accessibility for diverse  
31 affected businesses and employees, the governing board shall work  
32 with the various state commissions to develop culturally and  
33 linguistically responsive outreach and education plans.

34 (11) Regarding investments, the governing board:

35 (a) Has the sole responsibility for contracting with outside  
36 firms to provide investment management for the program funds and  
37 manage the performance of investment managers under those contracts;

38 (b) Must adopt an investment policy statement and ensure that the  
39 investment options offered, including default investment options, are  
40 consistent with the objectives of the program. The menu of investment

1 options may encompass a range of risk and return opportunities and  
2 must take the following into account:

- 3 (i) The nature and objectives of the program;
- 4 (ii) The diverse needs of individual participants;
- 5 (iii) The desirability of limiting investment choices under the  
6 program to a reasonable number; and
- 7 (iv) The extensive investment choices available to participants  
8 outside of the program.

9 (12) Regarding the design of the program, the governing board  
10 must:

11 (a) Ensure the program is designed and operated in a manner that  
12 will not cause it to be subject to or preempted by the federal  
13 employment retirement income security act of 1974, as amended, and  
14 that any employer that is not a covered employer shall have no  
15 reporting or registration obligation or requirement to take any  
16 action under the program other than to claim an exemption from  
17 coverage by the program;

18 (b) Design and operate the program to:

- 19 (i) Minimize costs to individual participants, covered employers,  
20 and the state;
- 21 (ii) Minimize the risk that covered employees will exceed  
22 applicable annual contribution limits;
- 23 (iii) Facilitate and encourage employee participation in the  
24 program and participant saving;
- 25 (iv) Maximize simplicity, including ease of administration for  
26 covered employers and ease of use for individual participants;
- 27 (v) Provide a simple process for covered employees to opt out of  
28 the program at any time or modify their payroll deductions;
- 29 (vi) Maximize portability of individual accounts;
- 30 (vii) Maximize financial security in retirement; and
- 31 (viii) Maximize the availability of funds to individual  
32 participants with a goal of having funds available within three  
33 business days following the remittance of payroll deductions by  
34 covered employers, if feasible;

35 (c) Design the program to be compliant with all applicable  
36 requirements under the internal revenue code, including requirements  
37 for favorable tax treatment of IRAs, and any other applicable law or  
38 regulation;

39 (d) Consult with the department of financial institutions, the  
40 department, the office of minority and women's business enterprises,



1 and the office of the secretary of state to create a strategy to  
2 educate and inform covered employers about employer administrative  
3 duties under this chapter, including the development of culturally  
4 relevant and responsive approaches centered in cultural humility with  
5 outreach to employers that are considered socially vulnerable,  
6 historically marginalized, or face cultural or language barriers to  
7 participate in workplace retirement savings programs;

8 (e) Launch the program by July 1, 2027. The board may stagger  
9 implementation in stages after that date, which may include phasing  
10 in implementation based on the size of employers, or other factors.

11 (13) The governing board may adopt rules to govern the program,  
12 including to govern the following:

13 (a) Employee registration and enrollment process;

14 (b) Employee alternative election procedure including, but not  
15 limited to, the method in which a participating individual may opt  
16 out of participation at any time, change their contribution rate, opt  
17 out of auto-escalation, make nonpayroll contributions, and make  
18 withdrawals;

19 (c) Contribution limits, the initial automatic default  
20 contribution rate, and the automatic default escalation rate;

21 (d) Outreach, marketing, and educational initiatives or  
22 publication of online resources, encouragement of participation,  
23 retirement savings, and sound investment practices. Outreach,  
24 marketing, and educational initiatives must promote cultural humility  
25 and engage culturally relevant and responsive approaches while  
26 including special consideration for socially vulnerable communities  
27 historically, or are known to often be, excluded from, marginalized  
28 by, or face barriers to participation in workplace retirement savings  
29 programs; and

30 (e) A process in which individuals who are not covered employees  
31 may participate in the program, including unemployed individuals,  
32 self-employed individuals, and other independent contractors.

33 (14) The governing board shall develop:

34 (a) Information regarding the program;

35 (b) The following disclosures:

36 (i) A description of the benefits and risks associated with  
37 making contributions under the program;

38 (ii) Instructions about how to obtain additional information  
39 about the program;

1 (iii) A description of the tax consequences of an IRA, which may  
2 consist of or include the disclosure statement required to be  
3 distributed by the trustee under the internal revenue code and  
4 treasury regulations thereunder;

5 (iv) A statement that covered employees seeking financial advice  
6 should contact their own financial advisers, that covered employers  
7 are not in a position to provide financial advice, and that covered  
8 employers are not liable for decisions covered employees make under  
9 this chapter;

10 (v) A statement that the program is not an employer-sponsored  
11 retirement plan;

12 (vi) A statement that the covered employee's IRA established  
13 under the program is not guaranteed by the state;

14 (vii) A statement that the program is voluntary for covered  
15 employees, and a covered employee may opt out of the program at any  
16 time; and

17 (viii) A statement that neither a covered employer nor the state  
18 will monitor or has an obligation to monitor the covered employee's  
19 eligibility under the internal revenue code to make contributions to  
20 an IRA or to monitor whether the covered employee's contributions to  
21 the IRA established for the covered employee exceed the maximum  
22 permissible IRA contribution; that it is the covered employee's  
23 responsibility to monitor such matters; and that the state, the  
24 program, and the covered employer have no liability with respect to  
25 any failure of the covered employee to be eligible to make IRA  
26 contributions or any contribution in excess of the maximum IRA  
27 contribution;

28 (c) Information, forms, and instructions to be furnished to  
29 covered employees, at such times as the governing board determines,  
30 that provide the covered employee with the procedures for:

31 (i) Making contributions to the covered employee's IRA  
32 established under the program, including a description of the  
33 automatic enrollment rate, the automatic escalation rate and  
34 frequency, the right to elect to make no contribution or to change  
35 the contribution rate under the program, and how to opt out of the  
36 program at any time;

37 (ii) Making an investment election with respect to the covered  
38 employee's IRA established under the program, including a description  
39 of the default investment fund; and

1 (iii) Making transfers, rollovers, withdrawals including  
2 instructions on how to access funds, and other distributions from the  
3 covered employee's IRA.

4 (15) The governing board must evaluate options to assist covered  
5 employees and employers to identify private sector providers of  
6 financial advice, to the extent feasible and unless prohibited by  
7 state or federal laws. The governing board must consider options  
8 including, but not limited to, a website established and maintained  
9 by the governing board.

10 (16) The governing board may create or enter into, on behalf of  
11 the program, a consortium, alliance, joint venture, partnership,  
12 compact, or contract with another state or states or their programs  
13 or boards.

14 (17) The governing board must collect administrative fees to  
15 defray the costs of administering the program. If the governing board  
16 creates or enters into a joint program agreement, as provided in  
17 subsection (16) of this section, the rate of the administrative fee  
18 for covered employees may not exceed the rate charged to covered  
19 employees of another state participating in the same program.

20 (18) The governing board, its members, and the administrative  
21 agency are not individually or collectively insurers of the funds or  
22 assets of the investment fund or individual accounts. Neither the  
23 governing board nor the administrative agency is liable for the  
24 action or inaction of the other.

25 (19) The governing board, its members, and the administrative  
26 agency are not individually or collectively liable to the state, to  
27 the fund, or to any other person as a result of their activities as  
28 members or staff, whether ministerial or discretionary, except for  
29 willful dishonesty or intentional violation of law. The governing  
30 board, its members, and the administrative agency may purchase  
31 liability insurance.

32 (20) The governing board shall submit progress reports to the  
33 appropriate committees of the legislature, in accordance with RCW  
34 43.01.036.

35 (a) The first preliminary report is due December 1, 2025, and  
36 must include feedback to the legislature on the proposed timeline set  
37 forth under this chapter and progress on outreach initiatives and  
38 program implementation.

1 (b) The final report on program design and implementation  
2 recommendations is due December 1, 2026, and must include the  
3 following:

4 (i) A comprehensive summary of outreach activities conducted by  
5 the governing board to receive feedback on design elements and  
6 implementation for the program, including:

7 (A) Types of outreach conducted;

8 (B) Specific calendar dates and time frames in which outreach  
9 occurred;

10 (C) Covered employers and covered employees who were contacted;

11 (D) Subject matters discussed regarding the program and proposed  
12 program structure;

13 (E) The types of retirement account programs covered employers  
14 and covered employees preferred;

15 (F) Explanations of concerns received during the outreach  
16 activities and how those concerns were addressed;

17 (ii) Recommendations on whether the legislature should make  
18 changes to the program's structure or whether any statutory changes  
19 need to occur; and

20 (iii) Recommendations regarding the governing board structure,  
21 including who should chair the governing board and what entity should  
22 serve as the administrative agency that provides staff support to the  
23 governing board once the program is established and operational. The  
24 governing board shall consider a potential new agency, an existing  
25 state agency, or the office of a stand-alone statewide elected  
26 official for the administrative agency.

27 (c) Annual reports including program updates and program  
28 information must begin December 1, 2028, and include information on:

29 (i) Participation;

30 (ii) Account performance;

31 (iii) Board decisions; and

32 (iv) Any recommendations to the legislature regarding the  
33 program.

34 (21) The governing board may consult with the state investment  
35 board and the department of financial institutions regarding program  
36 design and implementation.

37 (22) The governing board shall assure any administrative contract  
38 services for the program provide culturally responsive and relevant  
39 supports rooted in cultural humility while including special  
40 considerations for socially vulnerable communities historically, or

1 are known to often be, excluded from, marginalized by, or face  
2 barriers to participation in workplace retirement savings programs.

3 NEW SECTION. **Sec. 5.** INVESTMENT MANAGER—RESPONSIBILITIES.

4 (1)(a) After consultation with the governing board, the investment  
5 manager may invest funds associated with the program. The investment  
6 manager, after consultation with the governing board regarding any  
7 recommendations, must provide a set of options for eligible  
8 individuals to choose from for self-directed investment. Any self-  
9 directed investment options must comply with the internal revenue  
10 code.

11 (b) All investment and operating costs of the investment manager  
12 associated with making self-directed investments must be paid by  
13 participants and recovered under procedures agreed to by the  
14 governing board and the investment manager. All other expenses caused  
15 by self-directed investments must be paid by the participant in  
16 accordance with the rules established by the governing board. With  
17 the exception of these expenses, all earnings from self-directed  
18 investments accrue to the individual accounts.

19 (2) The investment manager must invest and manage the assets  
20 entrusted to it:

21 (a) With reasonable care, skill, prudence, and diligence under  
22 circumstances then prevailing which a prudent person acting in a like  
23 capacity and familiar with such matters would use to conduct of an  
24 activity of like character and purpose; and

25 (b) In accordance with the investment policy established by the  
26 governing board.

27 (3) The authority to establish all policies relating to  
28 implementation, design, and management of the program resides with  
29 the governing board.

30 (4) The investment manager must routinely consult and communicate  
31 with the governing board on the investment policy, performance of the  
32 accounts, and related needs of the program.

33 NEW SECTION. **Sec. 6.** LABOR AND INDUSTRIES—RESPONSIBILITIES. (1)

34 The department has the following responsibilities related to covered  
35 employers, as provided in this chapter:

36 (a) Educate participating employers of their administrative  
37 duties under this chapter;

1 (b) In the case of noncompliance with employer administrative  
2 duties, investigate complaints, educate employers about how to come  
3 into compliance, and, in the case of willful violations, issue  
4 citations and collect penalties;

5 (c) In the case of impermissible withholding of amounts due to  
6 employees, investigate and enforce the complaint as an alleged  
7 violation of a wage payment requirement, as defined in RCW 49.48.082;  
8 and

9 (d) Facilitate a process in which employers may appeal  
10 complaints.

11 (2) Collections of unpaid citations assessing civil penalties by  
12 the department under this chapter must be made pursuant to RCW  
13 49.48.086.

14 NEW SECTION. **Sec. 7.** LABOR AND INDUSTRIES—COMPLIANCE WITH  
15 EMPLOYER ADMINISTRATIVE DUTIES. (1) Covered employers shall comply  
16 with employer administrative duties provided under this chapter.

17 (2) If a complainant files a complaint with the department  
18 alleging any administrative violation, the department shall  
19 investigate the complaint and:

20 (a) If the complaint is filed before January 1, 2030, offer  
21 technical assistance to the employer to bring them into compliance.  
22 Civil penalties may not be assessed before January 1, 2030;

23 (b) If the complaint is filed on or after January 1, 2030,  
24 educate the employer on how to come into compliance and, if necessary  
25 and as provided in this section, enforce penalties for willful  
26 violations.

27 (3) The department may not investigate any alleged violation of  
28 rights that occurred more than three years before the date that the  
29 complainant filed the complaint.

30 (4) (a) If the department finds an employer administrative  
31 violation, the department must first provide an educational letter  
32 outlining the violations and provide 90 days for the employer to  
33 remedy the violations. The employer may ask for an extension for good  
34 cause. The department may extend the period by providing written  
35 notice to the employee and the employer, specifying the duration of  
36 the extension. If the employer fails to remedy the violation within  
37 90 days, the department may issue a citation and notice of assessment  
38 with a civil penalty.

1 (b) Except as provided otherwise in this chapter, the maximum  
2 penalty for a first-time willful violation is \$100 and \$250 for a  
3 second willful violation. For the purposes of this section, "willful"  
4 means a knowing and intentional action that is neither accidental nor  
5 the result of a bona fide dispute. For each subsequent willful  
6 violation, the employer is subject to a maximum penalty amount of  
7 \$500 for each violation.

8 (c) The department may not assess a civil penalty if the employer  
9 reasonably relied on: (i) A rule related to any of the requirements  
10 of this chapter; (ii) a written order, ruling, approval, opinion,  
11 advice, determination, or interpretation of the director of the  
12 department; or (iii) an interpretive or administrative policy issued  
13 by the department and filed pursuant to chapter 34.05 RCW. In  
14 accordance with the department's retention schedule obligations under  
15 chapter 40.14 RCW, the department shall maintain a complete and  
16 accurate record of all written orders, rulings, approvals, opinions,  
17 advice, determinations, and interpretations for purposes of  
18 determining whether an employer is immune from civil penalties under  
19 (b) of this subsection.

20 (5) The department may, at any time, waive or reduce a civil  
21 penalty assessed under this section if the director of the department  
22 determines that the employer has taken corrective action to resolve  
23 the violation.

24 (6) The department shall deposit all civil penalties paid under  
25 this section in the supplemental pension fund established under RCW  
26 51.44.033.

27 NEW SECTION. **Sec. 8.** LABOR AND INDUSTRIES—ADMINISTRATIVE  
28 CITATION APPEALS. (1) A person, firm, or corporation aggrieved by a  
29 citation and notice of assessment by the department under this  
30 chapter may appeal the citation and notice of assessment to the  
31 director of the department by filing a notice of appeal with the  
32 director within 30 days of the department's issuance of the citation  
33 and notice of assessment. A citation and notice of assessment not  
34 appealed within 30 days is final and binding, and not subject to  
35 further appeal.

36 (2) A notice of appeal filed with the director of the department  
37 under this section must state the effectiveness of the citation and  
38 notice of assessment pending final review of the appeal by the  
39 director as provided for in chapter 34.05 RCW.

1 (3) Upon receipt of a notice of appeal, the director of the  
2 department must assign the hearing to an administrative law judge of  
3 the office of administrative hearings to conduct the hearing and  
4 issue an initial order. The hearing and review procedures must be  
5 conducted in accordance with chapter 34.05 RCW, and the standard of  
6 review by the administrative law judge of an appealed citation and  
7 notice of assessment must be de novo. Any party who seeks to  
8 challenge an initial order must file a petition for administrative  
9 review with the director within 30 days after service of the initial  
10 order. The director must conduct administrative review in accordance  
11 with chapter 34.05 RCW.

12 (4) The director of the department must issue all final orders  
13 after appeal of the initial order. The final order of the director is  
14 subject to judicial review in accordance with chapter 34.05 RCW.

15 (5) Orders that are not appealed within the time period specified  
16 in this section and chapter 34.05 RCW are final and binding, and not  
17 subject to further appeal.

18 (6) An employer who fails to allow adequate inspection of records  
19 in an investigation by the department under this section within a  
20 reasonable time period may not use such records in any appeal under  
21 this section to challenge the correctness of any determination by the  
22 department of the penalty assessed.

23 NEW SECTION. **Sec. 9.** LABOR AND INDUSTRIES—ENFORCEMENT OF  
24 AMOUNTS DUE. (1) Employers may not impermissibly withhold any amounts  
25 due to the employee related to the employer's obligations under  
26 section 3 of this act. If any employee files a complaint with the  
27 department alleging that the employer impermissibly withheld any  
28 amounts due to the employee related to the employer's obligations  
29 under section 3 of this act, the department shall investigate and  
30 otherwise enforce the complaint as an alleged violation of a wage  
31 payment requirement, as defined in RCW 49.48.082.

32 (2) During an investigation, if the department discovers  
33 information suggesting additional violations of impermissibly  
34 withheld amounts due to the employees related to the employer's  
35 obligations under section 3 of this act, the department may  
36 investigate and take appropriate enforcement action without any  
37 additional complaint. The department may also initiate an  
38 investigation on behalf of one or more employees for any such



1 violation when the director otherwise has reason to believe that a  
2 violation has occurred or will occur.

3 (3) The department may conduct a consolidated investigation for  
4 any alleged withheld amounts due to the employees related to the  
5 employer's obligations under section 3 of this act when there are  
6 common questions of law or fact involving the employees. If the  
7 department consolidates such matters into a single investigation, it  
8 shall provide notice to the employer.

9 (4) The department may, for the purposes of enforcing this  
10 section, issue subpoenas to compel the attendance of witnesses or  
11 parties and the production of documents, administer oaths and examine  
12 witnesses under oath, take depositions, and seek affidavits or other  
13 verifications. The department may require the employer perform a  
14 self-audit of any records. The results or conclusions of the self-  
15 audit must be provided to the department within a reasonable time.  
16 The department must specify the timelines in the self-audit request.  
17 The records examined by the employer in order to perform the self-  
18 audit must be made available to the department upon request.

19 (5) Any citation or determination of compliance issued under this  
20 section is subject to RCW 49.48.083, 49.48.084, 49.48.085, and  
21 49.48.086.

22 NEW SECTION. **Sec. 10.** PRIVATE AND CONFIDENTIAL INFORMATION. (1)

23 Any information or records concerning an individual or employer  
24 obtained by the administrative agency or the governing board to  
25 administer this chapter are private and confidential, except as  
26 otherwise provided in this section.

27 (a) If information provided to the administrative agency or the  
28 governing board by a governmental agency is held private and  
29 confidential by state or federal law, the administrative agency and  
30 the governing board may not release such information, unless  
31 otherwise provided in this section.

32 (b) Information provided to the administrative agency or the  
33 governing board by a governmental entity conditioned upon privacy and  
34 confidentiality under a provision of law is to be held private and  
35 confidential according to the agreement between the administrative  
36 agency or the governing board and the other governmental agency,  
37 unless otherwise provided in this title.

38 (2) Persons requesting disclosure of information held by the  
39 administrative agency or the governing board under this section must

1 request such disclosure from the governmental agency that provided  
2 the information to the administrative agency or the governing board,  
3 rather than from the administrative agency or the governing board.

4 (3) If the governing board creates or enters into, on behalf of  
5 the program, a consortium, alliance, joint venture, partnership,  
6 compact, or contract with another state or states or their programs  
7 or boards, the laws of the state that is most protective of  
8 individual and employer confidentiality governs.

9 (4) The governing board has the authority to adopt, amend, or  
10 rescind rules interpreting and implementing this chapter.

11 (5)(a) An individual must have access to all records and  
12 information concerning that individual held by the administrative  
13 agency or the governing board.

14 (b) An employer must have access to its own records relating to  
15 their compliance with the program and any audit conducted or penalty  
16 assessed under this chapter.

17 (c) The administrative agency or the governing board may disclose  
18 information and records deemed confidential under this chapter to a  
19 third party acting on behalf of an individual or employer that would  
20 otherwise be eligible to receive records under this section when the  
21 administrative agency or the governing board receives a signed  
22 release from the individual or employer. The release must include a  
23 statement:

24 (i) Specifically identifying the information that is to be  
25 disclosed;

26 (ii) The acknowledgment that state government files will be  
27 assessed to obtain that information;

28 (iii) The specific purpose for which the information is sought  
29 and a statement that information obtained under the release will only  
30 be used for that purpose; and

31 (iv) Indicating all parties who will receive the information  
32 disclosed.

33 (d) The administrative agency or the governing board may disclose  
34 information or records deemed private and confidential under this  
35 chapter to any private person or organization, including the trustee,  
36 and, by extension, the agents of any private person or organization,  
37 when the disclosure is necessary to permit private contracting  
38 parties to assist in the operation, management, and implementation of  
39 the program. The private person or organization may only use the  
40 information or records solely for the purpose for which the

1 information was disclosed and are bound by the same rules of privacy  
2 and confidentiality as the administrative agency and the governing  
3 board.

4 (6) (a) A decision under this chapter by the administrative  
5 agency, the department, the governing board, or the appeals tribunal  
6 may not be deemed private and confidential under this section, unless  
7 the decision is based on information obtained in a closed hearing.

8 (b) Information or records deemed private and confidential under  
9 this section must be available to parties to judicial or formal  
10 administrative proceedings only upon a written finding by the  
11 presiding officer that the need for the information or records in the  
12 proceeding outweighs any reasons for the privacy and confidentiality  
13 of the information on record.

14 (7) (a) All private persons, governmental agencies, and  
15 organizations authorized to receive information from the  
16 administrative agency or the governing board under this chapter have  
17 an affirmative duty to prevent unauthorized disclosure of  
18 confidential information and are prohibited from disclosing  
19 confidential information unless expressly permitted by this section.

20 (b) If misuse of an unauthorized disclosure of confidential  
21 records or information occurs, all parties who are aware of the  
22 violation must inform the administrative agency immediately and must  
23 take all reasonable available actions to rectify the disclosure to  
24 the administrative agency standards.

25 (c) The misuse or unauthorized release of records or information  
26 deemed private and confidential under this chapter by any private  
27 person, governmental agency, or organization will subject the person,  
28 governmental agency, or organization to a civil penalty of up to  
29 \$20,000 in the first year of the program. Beginning in December of  
30 the second year of the program and each December thereafter, the  
31 administrative agency must adjust the maximum civil penalty amount by  
32 multiplying the current maximum civil penalty by one plus the  
33 percentage by which the most current consumer price index available  
34 on December 1st of the current year exceeds the consumer price index  
35 for the prior 12-month period, and rounding the result to the nearest  
36 \$1,000. If an adjustment under this subsection (7) (c) would reduce  
37 the maximum civil penalty, the administrative agency must not adjust  
38 the maximum civil penalty for use in the following year. Other  
39 applicable sanctions under state and federal law also apply.

1 (d) Suit to enforce this section must be brought by the attorney  
2 general and the amount of any penalties collected must be paid into  
3 the administrative account created in section 11 of this act. The  
4 attorney general may recover reasonable attorneys' fees for any  
5 action brought to enforce this section.

6 (8) This section does not contain a rule of evidence.

7 NEW SECTION. **Sec. 11.** WASHINGTON SAVES ADMINISTRATIVE TREASURY  
8 TRUST ACCOUNT. (1) The Washington saves administrative treasury trust  
9 account is created in the custody of the state treasurer.

10 (2) Expenditures from the account may be used only for the  
11 purposes of administrative and operating expenses of the program  
12 established under this chapter.

13 (3) Only the director of the administrative agency or the  
14 director's designee may authorize expenditures from the account. The  
15 account is exempt from appropriation and allotment provisions under  
16 chapter 43.88 RCW.

17 (4) The account may receive grants, gifts, or other moneys  
18 appropriated for administrative purposes from the state and the  
19 federal government.

20 (5) Any interest incurred by the account will be retained within  
21 the account.

22 NEW SECTION. **Sec. 12.** INVESTMENT ACCOUNT. (1) The Washington  
23 saves investment account is established as a trust, with the  
24 governing board created under this chapter as its trustee.

25 (2)(a) Moneys in the account consist of moneys received from  
26 individual participants and participating employers pursuant to  
27 automatic payroll deductions and contributions to savings made under  
28 this chapter. The governing board shall determine how the account  
29 operates, provided that the account is operated so that the  
30 individual accounts established under the program meet the  
31 requirements for IRAs under the internal revenue code.

32 (b) The assets of the account are not state money, common cash,  
33 or revenue to the state. Amounts in the account may not be commingled  
34 with state funds and the state has no claim to or against, or  
35 interest in, such funds.

36 (3) Disbursements from the account are exempt from appropriations  
37 and the allotment provisions of chapter 43.88 RCW. An appropriation  
38 is not required for expenditures.

1 (4) Only the governing board or the governing board's designee  
2 may authorize expenditures from the account.

3 **PART II**  
4 **RETIREMENT MARKETPLACE**

5 NEW SECTION. **Sec. 13.** RCW 43.330.730 (Finding—2015 c 296) is  
6 decodified.

7 **Sec. 14.** RCW 43.330.732 and 2015 c 296 s 2 are each amended to  
8 read as follows:

9 The definitions in this section apply throughout this subchapter  
10 unless the context clearly requires otherwise.

11 (1) "Approved plans" means retirement plans offered by private  
12 sector financial services firms that meet the requirements of this  
13 chapter to participate in the marketplace.

14 (2) "Balanced fund" means a mutual fund that has an investment  
15 mandate to balance its portfolio holdings. The fund generally  
16 includes a mix of stocks and bonds in varying proportions according  
17 to the fund's investment outlook.

18 (3) "Eligible employer" means a self-employed individual, sole  
19 proprietor, or an employer with ~~((fewer than))~~ at least one  
20 ~~((hundred))~~ qualified employee~~((s))~~ at the time of enrollment.

21 (4) "Enrollee" means any employee who is voluntarily enrolled in  
22 an approved plan offered by an eligible employer through the  
23 Washington small business retirement marketplace.

24 ~~((5))~~ ~~("myRA" means the myRA retirement program administered by~~  
25 ~~the United States department of the treasury that is available to all~~  
26 ~~employers and employees with no fees or no minimum contribution~~  
27 ~~requirements. A myRA is a Roth IRA option and investments in these~~  
28 ~~accounts are backed by the United States department of the treasury.~~

29 ~~((6))~~ "Participating employer" means any eligible employer with  
30 employees enrolled in an approved plan offered through the Washington  
31 small business retirement marketplace who chooses to participate in  
32 the marketplace and offers approved plans to employees for voluntary  
33 enrollment.

34 ~~((7))~~ (6) "Private sector financial services firms" or  
35 "financial services firms" mean persons or entities licensed or  
36 holding a certificate of authority and in good standing by either the  
37 department of financial institutions or the office of the insurance

1 commissioner and meeting all federal laws and regulations to offer  
2 retirement plans.

3 ~~((+8))~~ (7) "Qualified employee" means those workers who are  
4 defined by the federal internal revenue service to be eligible to  
5 participate in a specific qualified plan.

6 ~~((+9))~~ (8) "Target date or other similar fund" means a hybrid  
7 mutual fund that automatically resets the asset mix of stocks, bonds,  
8 and cash equivalents in its portfolio according to a selected time  
9 frame that is appropriate for a particular investor. A target date is  
10 structured to address a projected retirement date.

11 ~~((+10))~~ (9) "Washington small business retirement marketplace"  
12 or "marketplace" means the retirement savings program created to  
13 connect eligible employers and their employees with approved plans to  
14 increase retirement savings.

15 **Sec. 15.** RCW 43.330.735 and 2017 c 69 s 1 are each amended to  
16 read as follows:

17 (1) The Washington small business retirement marketplace is  
18 created.

19 (2) Prior to connecting any eligible employer with an approved  
20 plan in the marketplace, the director shall design a plan for the  
21 operation of the marketplace.

22 (3) The director shall consult with the Washington state  
23 department of retirement systems, the Washington state investment  
24 board, and the department of financial institutions in designing and  
25 managing the marketplace.

26 (4) The director shall approve for participation in the  
27 marketplace all private sector financial services firms (~~that meet~~  
28 ~~the requirements of~~), as defined in RCW 43.330.732 ~~((+7))~~.

29 (5) A range of investment options must be provided to meet the  
30 needs of investors with various levels of risk tolerance and various  
31 ages. The director must approve a diverse array of private retirement  
32 plan options that are available to employers on a voluntary basis,  
33 including but not limited to life insurance plans that are designed  
34 for retirement purposes, and plans for eligible employer  
35 participation such as ~~((+a)A)~~ a SIMPLE IRA-type plan that provides  
36 for employer contributions to participating enrollee accounts ~~((+and~~  
37 ~~(b) a payroll deduction individual retirement account type plan or~~  
38 ~~workplace-based individual retirement accounts open to all workers in~~  
39 ~~which the employer does not contribute to the employees' account))~~.

1 (6) (a) Prior to approving a plan to be offered on the  
2 marketplace, the department must receive verification from the  
3 department of financial institutions or the office of the insurance  
4 commissioner:

5 (i) That the private sector financial services firm offering the  
6 plan meets the ~~((requirements—of))~~ definition in RCW  
7 43.330.732~~((7))~~; and

8 (ii) That the plan meets the requirements of this section  
9 excluding subsection (9) of this section which is subject to federal  
10 laws and regulations.

11 (b) If the plan includes either life insurance or annuity  
12 products, or both, the office of the insurance commissioner may  
13 request that the department of financial institutions conduct the  
14 plan review as provided in (a)(ii) of this subsection prior to  
15 submitting its verification to the department.

16 (c) The director may remove approved plans that no longer meet  
17 the requirements of this chapter.

18 (7) The financial services firms participating in the marketplace  
19 must offer a minimum of two product options: (a) A target date or  
20 other similar fund, with asset allocations and maturities designed to  
21 coincide with the expected date of retirement and (b) a balanced  
22 fund. ~~((The marketplace must offer myRA.))~~

23 (8) In order for the marketplace to operate, there must be at  
24 least two approved plans on the marketplace; however, nothing in this  
25 subsection shall be construed to limit the number of private sector  
26 financial services firms with approved plans from participating in  
27 the marketplace.

28 (9) Approved plans must meet federal law or regulation for  
29 internal revenue service approved retirement plans.

30 (10) The approved plans must include the option for enrollees to  
31 roll pretax contributions into a different individual retirement  
32 account or another eligible retirement plan after ceasing  
33 participation in a plan approved by the Washington small business  
34 retirement marketplace.

35 (11) Financial services firms selected by the department to offer  
36 approved plans on the marketplace may not charge the participating  
37 employer an administrative fee and may not charge enrollees more than  
38 one hundred basis points in total annual fees and must provide  
39 information about their product's historical investment performance.  
40 Financial services firms may charge enrollees a de minimis fee for

1 new and/or low balance accounts in amounts negotiated and agreed upon  
2 by the department and financial services firms. The director shall  
3 limit plans to those with total fees the director considers  
4 reasonable based on all the facts and circumstances.

5 (12) Participation in the Washington small business retirement  
6 marketplace is voluntary for both eligible employers and qualified  
7 employees.

8 (13) Enrollment in any approved plan offered in the marketplace  
9 is not an entitlement.

10 **PART III**

11 **WASHINGTON SAVES - ADMINISTRATIVE ACCOUNT - RETAIN OWN INTEREST**

12 **Sec. 16.** RCW 43.79A.040 and 2023 c 389 s 8, 2023 c 387 s 2, 2023  
13 c 380 s 6, 2023 c 213 s 9, 2023 c 170 s 19, and 2023 c 12 s 2 are  
14 each reenacted and amended to read as follows:

15 (1) Money in the treasurer's trust fund may be deposited,  
16 invested, and reinvested by the state treasurer in accordance with  
17 RCW 43.84.080 in the same manner and to the same extent as if the  
18 money were in the state treasury, and may be commingled with moneys  
19 in the state treasury for cash management and cash balance purposes.

20 (2) All income received from investment of the treasurer's trust  
21 fund must be set aside in an account in the treasury trust fund to be  
22 known as the investment income account.

23 (3) The investment income account may be utilized for the payment  
24 of purchased banking services on behalf of treasurer's trust funds  
25 including, but not limited to, depository, safekeeping, and  
26 disbursement functions for the state treasurer or affected state  
27 agencies. The investment income account is subject in all respects to  
28 chapter 43.88 RCW, but no appropriation is required for payments to  
29 financial institutions. Payments must occur prior to distribution of  
30 earnings set forth in subsection (4) of this section.

31 (4)(a) Monthly, the state treasurer must distribute the earnings  
32 credited to the investment income account to the state general fund  
33 except under (b), (c), and (d) of this subsection.

34 (b) The following accounts and funds must receive their  
35 proportionate share of earnings based upon each account's or fund's  
36 average daily balance for the period: The 24/7 sobriety account, the  
37 Washington promise scholarship account, the Gina Grant Bull memorial  
38 legislative page scholarship account, the Rosa Franklin legislative



1 internship program scholarship account, the Washington advanced  
2 college tuition payment program account, the Washington college  
3 savings program account, the accessible communities account, the  
4 Washington achieving a better life experience program account, the  
5 Washington career and college pathways innovation challenge program  
6 account, the community and technical college innovation account, the  
7 agricultural local fund, the American Indian scholarship endowment  
8 fund, the behavioral health loan repayment program account, the Billy  
9 Frank Jr. national statutory hall collection fund, the foster care  
10 scholarship endowment fund, the foster care endowed scholarship trust  
11 fund, the contract harvesting revolving account, the Washington state  
12 combined fund drive account, the commemorative works account, the  
13 county 911 excise tax account, the county road administration board  
14 emergency loan account, the toll collection account, the  
15 developmental disabilities endowment trust fund, the energy account,  
16 the energy facility site evaluation council account, the fair fund,  
17 the family and medical leave insurance account, the fish and wildlife  
18 federal lands revolving account, the natural resources federal lands  
19 revolving account, the food animal veterinarian conditional  
20 scholarship account, the forest health revolving account, the fruit  
21 and vegetable inspection account, the educator conditional  
22 scholarship account, the game farm alternative account, the GET ready  
23 for math and science scholarship account, the Washington global  
24 health technologies and product development account, the grain  
25 inspection revolving fund, the Washington history day account, the  
26 industrial insurance rainy day fund, the juvenile accountability  
27 incentive account, the law enforcement officers' and firefighters'  
28 plan 2 expense fund, the local tourism promotion account, the low-  
29 income home rehabilitation account, the medication for people living  
30 with HIV rebate revenue account, the homeowner recovery account, the  
31 multiagency permitting team account, the northeast Washington wolf-  
32 livestock management account, the pollution liability insurance  
33 program trust account, the produce railcar pool account, the public  
34 use general aviation airport loan revolving account, the regional  
35 transportation investment district account, the rural rehabilitation  
36 account, the Washington sexual assault kit account, the stadium and  
37 exhibition center account, the youth athletic facility account, the  
38 self-insurance revolving fund, the children's trust fund, the  
39 Washington horse racing commission Washington bred owners' bonus fund  
40 and breeder awards account, the Washington horse racing commission

1 class C purse fund account, the individual development account  
2 program account, the Washington horse racing commission operating  
3 account, the life sciences discovery fund, the Washington state  
4 library-archives building account, the reduced cigarette ignition  
5 propensity account, the center for deaf and hard of hearing youth  
6 account, the school for the blind account, the Millersylvania park  
7 trust fund, the public employees' and retirees' insurance reserve  
8 fund, the school employees' benefits board insurance reserve fund,  
9 the public employees' and retirees' insurance account, the school  
10 employees' insurance account, the long-term services and supports  
11 trust account, the radiation perpetual maintenance fund, the Indian  
12 health improvement reinvestment account, the department of licensing  
13 tuition recovery trust fund, the student achievement council tuition  
14 recovery trust fund, the tuition recovery trust fund, the industrial  
15 insurance premium refund account, the mobile home park relocation  
16 fund, the natural resources deposit fund, the Washington state health  
17 insurance pool account, the federal forest revolving account, the  
18 Washington saves administrative treasury trust account, and the  
19 library operations account.

20 (c) The following accounts and funds must receive 80 percent of  
21 their proportionate share of earnings based upon each account's or  
22 fund's average daily balance for the period: The advance right-of-way  
23 revolving fund, the advanced environmental mitigation revolving  
24 account, the federal narcotics asset forfeitures account, the high  
25 occupancy vehicle account, the local rail service assistance account,  
26 and the miscellaneous transportation programs account.

27 (d) Any state agency that has independent authority over accounts  
28 or funds not statutorily required to be held in the custody of the  
29 state treasurer that deposits funds into a fund or account in the  
30 custody of the state treasurer pursuant to an agreement with the  
31 office of the state treasurer shall receive its proportionate share  
32 of earnings based upon each account's or fund's average daily balance  
33 for the period.

34 (5) In conformance with Article II, section 37 of the state  
35 Constitution, no trust accounts or funds shall be allocated earnings  
36 without the specific affirmative directive of this section.

37 **Sec. 17.** RCW 43.79A.040 and 2023 c 389 s 8, 2023 c 387 s 2, 2023  
38 c 380 s 6, 2023 c 213 s 9, and 2023 c 12 s 2 are each reenacted and  
39 amended to read as follows:

1 (1) Money in the treasurer's trust fund may be deposited,  
2 invested, and reinvested by the state treasurer in accordance with  
3 RCW 43.84.080 in the same manner and to the same extent as if the  
4 money were in the state treasury, and may be commingled with moneys  
5 in the state treasury for cash management and cash balance purposes.

6 (2) All income received from investment of the treasurer's trust  
7 fund must be set aside in an account in the treasury trust fund to be  
8 known as the investment income account.

9 (3) The investment income account may be utilized for the payment  
10 of purchased banking services on behalf of treasurer's trust funds  
11 including, but not limited to, depository, safekeeping, and  
12 disbursement functions for the state treasurer or affected state  
13 agencies. The investment income account is subject in all respects to  
14 chapter 43.88 RCW, but no appropriation is required for payments to  
15 financial institutions. Payments must occur prior to distribution of  
16 earnings set forth in subsection (4) of this section.

17 (4) (a) Monthly, the state treasurer must distribute the earnings  
18 credited to the investment income account to the state general fund  
19 except under (b), (c), and (d) of this subsection.

20 (b) The following accounts and funds must receive their  
21 proportionate share of earnings based upon each account's or fund's  
22 average daily balance for the period: The 24/7 sobriety account, the  
23 Washington promise scholarship account, the Gina Grant Bull memorial  
24 legislative page scholarship account, the Rosa Franklin legislative  
25 internship program scholarship account, the Washington advanced  
26 college tuition payment program account, the Washington college  
27 savings program account, the accessible communities account, the  
28 Washington achieving a better life experience program account, the  
29 Washington career and college pathways innovation challenge program  
30 account, the community and technical college innovation account, the  
31 agricultural local fund, the American Indian scholarship endowment  
32 fund, the behavioral health loan repayment program account, the Billy  
33 Frank Jr. national statutory hall collection fund, the foster care  
34 scholarship endowment fund, the foster care endowed scholarship trust  
35 fund, the contract harvesting revolving account, the Washington state  
36 combined fund drive account, the commemorative works account, the  
37 county 911 excise tax account, the county road administration board  
38 emergency loan account, the toll collection account, the  
39 developmental disabilities endowment trust fund, the energy account,  
40 the energy facility site evaluation council account, the fair fund,

1 the family and medical leave insurance account, the fish and wildlife  
2 federal lands revolving account, the natural resources federal lands  
3 revolving account, the food animal veterinarian conditional  
4 scholarship account, the forest health revolving account, the fruit  
5 and vegetable inspection account, the educator conditional  
6 scholarship account, the game farm alternative account, the GET ready  
7 for math and science scholarship account, the Washington global  
8 health technologies and product development account, the grain  
9 inspection revolving fund, the Washington history day account, the  
10 industrial insurance rainy day fund, the juvenile accountability  
11 incentive account, the law enforcement officers' and firefighters'  
12 plan 2 expense fund, the local tourism promotion account, the low-  
13 income home rehabilitation account, the medication for people living  
14 with HIV rebate revenue account, the homeowner recovery account, the  
15 multiagency permitting team account, the northeast Washington wolf-  
16 livestock management account, the produce railcar pool account, the  
17 public use general aviation airport loan revolving account, the  
18 regional transportation investment district account, the rural  
19 rehabilitation account, the Washington sexual assault kit account,  
20 the stadium and exhibition center account, the youth athletic  
21 facility account, the self-insurance revolving fund, the children's  
22 trust fund, the Washington horse racing commission Washington bred  
23 owners' bonus fund and breeder awards account, the Washington horse  
24 racing commission class C purse fund account, the individual  
25 development account program account, the Washington horse racing  
26 commission operating account, the life sciences discovery fund, the  
27 Washington state library-archives building account, the reduced  
28 cigarette ignition propensity account, the center for deaf and hard  
29 of hearing youth account, the school for the blind account, the  
30 Millersylvania park trust fund, the public employees' and retirees'  
31 insurance reserve fund, the school employees' benefits board  
32 insurance reserve fund, the public employees' and retirees' insurance  
33 account, the school employees' insurance account, the long-term  
34 services and supports trust account, the radiation perpetual  
35 maintenance fund, the Indian health improvement reinvestment account,  
36 the department of licensing tuition recovery trust fund, the student  
37 achievement council tuition recovery trust fund, the tuition recovery  
38 trust fund, the industrial insurance premium refund account, the  
39 mobile home park relocation fund, the natural resources deposit fund,  
40 the Washington state health insurance pool account, the federal

1 forest revolving account, the Washington saves administrative  
2 treasury trust account, and the library operations account.

3 (c) The following accounts and funds must receive 80 percent of  
4 their proportionate share of earnings based upon each account's or  
5 fund's average daily balance for the period: The advance right-of-way  
6 revolving fund, the advanced environmental mitigation revolving  
7 account, the federal narcotics asset forfeitures account, the high  
8 occupancy vehicle account, the local rail service assistance account,  
9 and the miscellaneous transportation programs account.

10 (d) Any state agency that has independent authority over accounts  
11 or funds not statutorily required to be held in the custody of the  
12 state treasurer that deposits funds into a fund or account in the  
13 custody of the state treasurer pursuant to an agreement with the  
14 office of the state treasurer shall receive its proportionate share  
15 of earnings based upon each account's or fund's average daily balance  
16 for the period.

17 (5) In conformance with Article II, section 37 of the state  
18 Constitution, no trust accounts or funds shall be allocated earnings  
19 without the specific affirmative directive of this section.

20 **PART IV**  
21 **MISCELLANEOUS**

22 NEW SECTION. **Sec. 18.** Section 16 of this act expires July 1,  
23 2030.

24 NEW SECTION. **Sec. 19.** (1) Section 16 of this act takes effect  
25 July 1, 2024.

26 (2) Section 17 of this act takes effect July 1, 2030.

27 NEW SECTION. **Sec. 20.** Sections 1 through 12 of this act  
28 constitute a new chapter in Title 19 RCW.

29 NEW SECTION. **Sec. 21.** If any part of this act is found to be in  
30 conflict with federal requirements that are a prescribed condition to  
31 the allocation of federal funds to the state or the eligibility of  
32 employers in this state for federal unemployment tax credits, the  
33 conflicting part of this act is inoperative solely to the extent of  
34 the conflict, and the finding or determination does not affect the  
35 operation of the remainder of this act. Rules adopted under this act

1 must meet federal requirements that are a necessary condition to the  
2 receipt of federal funds by the state or the granting of federal  
3 unemployment tax credits to employers in this state."

4 Correct the title.

--- END ---