SENATE BILL 5479

State of Washington 68th Legislature 2023 Regular Session

By Senators Schoesler, Mullet, and Braun

AN ACT Relating to delaying the long-term services and supports 1 2 trust program tax to allow a proposition to be submitted to repeal 3 the long-term services and supports trust program authorized in chapter 50B.04 RCW, including the repeal of taxes to be paid by 4 employees through payroll deductions; reenacting and amending RCW 5 50B.04.080; repealing RCW 50B.04.010, 50B.04.020, 6 50B.04.030, 7 50B.04.040, 50B.04.050, 50B.04.055, 50B.04.060, 50B.04.070, 50B.04.088, 50B.04.090, 8 50B.04.080, 50B.04.085, 50B.04.095, 50B.04.120, 50B.04.130, 9 50B.04.100, 50B.04.110, 50B.04.140, 50B.04.150, 50B.04.160, 50B.04.170, and 50B.04.900; providing an 10 effective date; providing for submission of certain sections of this 11 12 act to a vote of the people; and declaring an emergency.

- 13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- Sec. 1. RCW 50B.04.080 and 2022 c 2 s 1 and 2022 c 1 s 5 are each reenacted and amended to read as follows:
- (1) Unless otherwise exempted pursuant to this chapter, beginning July 1, ((2023)) 2024, the employment security department shall assess for each individual in employment with an employer a premium based on the amount of the individual's wages. The initial premium rate is .58 percent of the individual's wages. Beginning January 1, 2026, and biennially thereafter, the premium rate shall be set by the

p. 1 SB 5479

- pension funding council at a rate no greater than .58 percent. In addition, the pension funding council must set the premium rate at the lowest amount necessary to maintain the actuarial solvency of the long-term services and supports trust account created in RCW 50B.04.100 in accordance with recognized insurance principles and designed to attempt to limit fluctuations in the premium rate. To facilitate the premium rate setting the office of the state actuary must perform a biennial actuarial audit and valuation of the fund and make recommendations to the pension funding council.
 - (2) (a) The employer must collect from the employees the premiums provided under this section through payroll deductions and remit the amounts collected to the employment security department.

- (b) In collecting employee premiums through payroll deductions, the employer shall act as the agent of the employees and shall remit the amounts to the employment security department as required by this chapter.
- (3) Nothing in this chapter requires any party to a collective bargaining agreement in existence on October 19, 2017, to reopen negotiations of the agreement or to apply any of the responsibilities under this chapter unless and until the existing agreement is reopened or renegotiated by the parties or expires.
- (4) (a) Premiums shall be collected in the manner and at such intervals as provided in this chapter and directed by the employment security department.
- (b) To the extent feasible, the employment security department shall use the premium assessment, collection, and reporting procedures in Title 50A RCW.
- (5) The employment security department shall deposit all premiums collected in this section in the long-term services and supports trust account created in RCW 50B.04.100.
- 31 (6) Premiums collected in this section are placed in the trust 32 account for the individuals who become eligible for the program.
 - (7) If the premiums established in this section are increased, the legislature shall notify each qualified individual by mail that the person's premiums have been increased, describe the reason for increasing the premiums, and describe the plan for restoring the funds so that premiums are returned to .58 percent of the individual's wages.

p. 2 SB 5479

- 1 <u>NEW SECTION.</u> **Sec. 2.** The following acts or parts of acts are 2 each repealed:
- 3 (1) RCW 50B.04.010 (Definitions) and 2021 c 113 s 1, 2020 c 98 s 4 1, & 2019 c 363 s 2;
- 5 (2) RCW 50B.04.020 (Duties—Health care authority, department of social and health services, office of the state actuary, employment security department) and 2022 c 1 s 1, 2021 c 113 s 2, 2020 c 98 s 2, 8 & 2019 c 363 s 3;
- 9 (3) RCW 50B.04.030 (Long-term services and supports trust 10 commission—Investment strategy subcommittee) and 2022 c 1 s 2, 2021 c 11 113 s 3, & 2019 c 363 s 4;
- 12 (4) RCW 50B.04.040 (Long-term services and supports council— 13 Benefit unit adjustment) and 2019 c 363 s 5;
- 14 (5) RCW 50B.04.050 (Qualified individuals) and 2022 c 2 s 3, 2022 c 1 s 3, 2021 c 113 s 4, 2020 c 98 s 3, & 2019 c 363 s 6;
- 16 (6) RCW 50B.04.055 (Exemptions—Voluntary exemptions—Criteria, rules, and procedures—Discontinuing—Notification) and 2022 c 2 s 2;
- 18 (7) RCW 50B.04.060 (Eligible beneficiaries—Determination— 19 Services and benefits) and 2022 c 1 s 4 & 2019 c 363 s 7;
- 20 (8) RCW 50B.04.070 (Payment of benefits) and 2019 c 363 s 8;
- 21 (9) RCW 50B.04.080 (Premium assessment—Rate—Collection) and 2023 22 c...s 1 (section 1 of this act), 2022 c 2 s 1, 2022 c 1 s 5, 2020 23 c 98 s 4, & 2019 c 363 s 9;
- 24 (10) RCW 50B.04.085 (Premium assessment—Exemptions) and 2021 c 25 113 s 5 & 2020 c 98 s 7;
- 26 (11) RCW 50B.04.088 (Premium assessment—Refunds for premiums collected prior to July 1, 2023) and 2022 c 1 s 8;
- 28 (12) RCW 50B.04.090 (Election of coverage—Self-employed persons) 29 and 2022 c 1 s 6, 2021 c 113 s 6, 2020 c 98 s 5, & 2019 c 363 s 10;
- 30 (13) RCW 50B.04.095 (Election of coverage—Federally recognized 31 tribe) and 2021 c 113 s 7;
- 32 (14) RCW 50B.04.100 (Long-term services and supports trust 33 account) and 2019 c 363 s 11;
- 34 (15) RCW 50B.04.110 (Long-term services and supports trust account—Investment—Policies) and 2019 c 363 s 12;
- 36 (16) RCW 50B.04.120 (Appeal of determinations) and 2020 c 98 s 6 37 & 2019 c 363 s 13;
- 38 (17) RCW 50B.04.130 (Medicare data and waiver—Report) and 2019 c 39 363 s 14;

p. 3 SB 5479

- 1 (18) RCW 50B.04.140 (Reports to legislature) and 2022 c 1 s 7 & 2019 c 363 s 15;
- 3 (19) RCW 50B.04.150 (Benefits not income or resource) and 2019 c 4 363 s 16;
- 5 (20) RCW 50B.04.160 (Entitlement not created) and 2019 c 363 s 6 17;
- 7 (21) RCW 50B.04.170 (Confidentiality of information and records) 8 and 2022 c 18 s 1; and
- 9 (22) RCW 50B.04.900 (Findings—2019 c 363) and 2019 c 363 s 1.
- NEW SECTION. Sec. 3. The secretary of state shall submit section 2 of this act to the people for their adoption and ratification, or rejection, at the next general election to be held in this state, in accordance with Article II, section 1 of the state Constitution and the laws adopted to facilitate its operation.
- NEW SECTION. Sec. 4. Section 1 of this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2023.

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p. 4 SB 5479