

INITIATIVE 2124

1 AN ACT Relating to all Washington workers having the choice to
2 opt out of the government-operated long term insurance scheme;
3 amending RCW 50B.04.090; creating new sections; and repealing RCW
4 50B.04.085.

5 BE IT ENACTED BY THE PEOPLE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 50B.04.090 and 2022 c 1 s 6 are each amended to read
7 as follows:

8 (1) Beginning July 1, 2023, and subject to the protections
9 established by subsection 8 of this section, any self-employed
10 person, including a sole proprietor, independent contractor, partner,
11 or joint venturer, may elect coverage under this chapter. Coverage
12 must be elected before July 1, 2026, or within three years of
13 becoming self-employed for the first time. Those electing coverage
14 under this subsection are responsible for payment of 100 percent of
15 all premiums assessed to an employee under RCW 50B.04.080. The self-
16 employed person must file a notice of election in writing with the
17 employment security department, in the manner required by the
18 employment security department in rule. The self-employed person is
19 eligible for benefits after paying the long-term services and
20 supports premium for the time required under RCW 50B.04.050.

1 (2) A self-employed person who has elected coverage may not
2 withdraw from coverage unless they opt out under subsection 8 of this
3 section.

4 (3) A self-employed person who elects coverage must continue to
5 pay premiums until such time that the individual retires from the
6 workforce or is no longer self-employed or they opt out under
7 subsection 8 of this section. To cease premium assessment and
8 collection, the self-employed person must file a notice with the
9 employment security department if the individual retires from the
10 workforce or is no longer self-employed or they opt out under
11 subsection 8 of this section.

12 (4) The employment security department may cancel elective
13 coverage if the self-employed person fails to make required payments
14 or file reports. The employment security department may collect due
15 and unpaid premiums and may levy an additional premium for the
16 remainder of the period of coverage. The cancellation must be
17 effective no later than 30 days from the date of the notice in
18 writing advising the self-employed person of the cancellation.

19 (5) Those electing coverage are considered employers or employees
20 where the context so dictates.

21 (6) For the purposes of this section, "independent contractor"
22 means an individual excluded from the definition of "employment" in
23 RCW 50B.04.010.

24 (7) The employment security department shall adopt rules for
25 determining the hours worked and the wages of individuals who elect
26 coverage under this section and rules for enforcement of this
27 section.

28 (8) An employee or self-employed person in Washington must elect
29 to keep coverage under this Chapter. If an employee or self-employed
30 person has elected coverage under this Chapter, the employee or self-
31 employed person must also have the option to opt out at any time. The
32 employment security department shall adopt rules to implement this
33 section.

34 NEW SECTION. **Sec. 2.** RCW 50B.04.085 (Premium assessment—
35 Exemptions) and 2021 c 113 s 5 & 2020 c 98 s 7 are each repealed.

36 NEW SECTION. **Sec. 3.** The provisions of this act are to be
37 liberally construed to effectuate the policies, purposes, and intent
38 of this act.

1 NEW SECTION. **Sec. 4.** If any provision of this act or its
2 application to any person or circumstance is held invalid, the
3 remainder of the act or the application of the provision to other
4 persons or circumstances is not affected.