SENATE BILL REPORT
SB 6109

As of January 28, 2026

Title: An act relating to the prohibition of investment of funds under management by the state investment board in private detention facilities.

Brief Description: Prohibiting investment of funds under management by the state investment board in private detention facilities.

Sponsors: Senators Trudeau, Saldaña, Alvarado, Bateman, Hasegawa, Kauffman, Lovelett, Nobles, Orwall and Valdez.

Brief History:
Committee Activity: Ways & Means: 1/29/26.

Brief Summary of Bill

- Directs the State Investment Board to divest from investments in private detention facilities.

SENATE COMMITTEE ON WAYS & MEANS

Staff: Amanda Cecil (786-7460)

Background: The Washington State Investment Board (SIB) is a 15 member board responsible for investing more than $200 billion in assets on behalf of the state. The majority of the assets are made of the state's retirement trust funds. Other notable program funds invested by SIB include Industrial Insurance funds, the Deferred Compensation Program, the Guaranteed Education Tuition program, the Long-Term Services and Supports Trust, and the Developmental Disabilities Endowment Trust.

SIB is required to manage these assets in accordance with policies designed to maximize returns at a prudent level of risk.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

As part of its investment responsibilities, SIB establishes asset allocation targets that guide investment decisions. Asset allocation policies are reviewed at least every four years, or more frequently if there are significant changes in capital markets or fund liabilities.

Summary of Bill: Beginning in 2026, SIB is prohibited from making new investments in entities that own, operate, lease, or invest in private detention facilities. By January 1, 2030, SIB must fully divest funds under management from any such entities, including funds that contain investments in private detention facilities.

To the greatest extent practicable, divestment and reinvestment must be carried out without monetary loss to the funds through reasonable, prudent, and productive investments with comparable returns.

For purposes of this act, a detention facility is any facility in which persons are incarcerated or otherwise involuntarily confined for judicial or administrative purposes. A private detention facility is a detention facility operated by a private, for-profit entity pursuant to a contract or agreement with a governmental entity.

Appropriation: None.

Fiscal Note: Requested on January 23, 2026.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.