

WASHINGTON SAVES

Improving long-term financial security for working Washingtonians with automatic, professionally-invested Individual Retirement Accounts (IRAs) would allow Washington to join the 15 other states who help their people save for retirement.



Treasurer
Mike Pellicciotti

House Bill 2244

Rep. Kristine Reeves (D)

Senate Bill 6069

Sen. Mark Mullet (D)

Research shows that workers are 15 times more likely to save for retirement if they can use payroll deductions, but many small businesses are unable to offer retirement benefits due to high startup costs and lack of administrative capacity. An auto-IRA program will provide financial peace of mind.

THE COST OF DOING NOTHING

Washington continues to lag behind other states in adopting and implementing policies to secure dignified retirement.

- Lack of savings will lead to \$3.9 billion in increased state spending through the year 2040.
- Lack of retirement savings will continue to disproportionately impact communities of color and women.
- 72% of small-business owners in Washington state support creation of a state-facilitated retirement savings program.
- By 2040, vulnerable older households in Washington will face an average income shortfall of \$4,810 per year.
- State-facilitated programs across the country have helped participating workers save nearly \$840 million.



Automatic Enrollment

Eligible workers will be automatically enrolled in the program and have a percentage of their paycheck invested on their behalf.



Portability & Flexibility

Upon maturity of investment, beneficiaries can withdraw funds starting at the age of 59.5. Accounts will stay with employees across their careers and will be able to access funds for emergent and exempted needs.



Options for Participation

Employees are not required to participate in the program, and can pause or change their contributions at any time they wish.



Secure Investment

Similar to other investment programs, a governing board will oversee the program and work with investment professionals to grow the auto-IRA investment pool.



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