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**SUBSTITUTE HOUSE BILL 1456**

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**State of Washington**

**63rd Legislature**

**2013 Regular Session**

**By** House Government Operations & Elections (originally sponsored by Representatives Hunt, Moscoso, Seaquist, Blake, Riccelli, Reykdal, Stanford, Fitzgibbon, and Bergquist)

READ FIRST TIME 02/21/13.

1       AN ACT Relating to pretax payroll deductions for qualified transit  
2 and parking benefits; and amending RCW 41.04.230.

3       BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4       **Sec. 1.** RCW 41.04.230 and 2007 c 99 s 1 are each amended to read  
5 as follows:

6       Any official of the state authorized to disburse funds in payment  
7 of salaries and wages of public officers or employees is authorized,  
8 upon written request of the officer or employee, to deduct from the  
9 salaries or wages of the officers or employees, the amount or amounts  
10 of subscription payments, premiums, contributions, or continuation  
11 thereof, for payment of the following:

12       (1) Credit union deductions: PROVIDED, That twenty-five or more  
13 employees of a single state agency or a total of one hundred or more  
14 state employees of several agencies have authorized such a deduction  
15 for payment to the same credit union. An agency may, in its own  
16 discretion, establish a minimum participation requirement of fewer than  
17 twenty-five employees.

18       (2) Parking fee deductions: PROVIDED, That payment is made for  
19 parking facilities furnished by the agency or by the department of

1 ((general administration)) enterprise services. Deductions shall be  
2 pretax, to the extent possible, for qualified parking and transit  
3 benefits as allowed under the federal internal revenue code.

4 (3) U.S. savings bond deductions: PROVIDED, That a person within  
5 the particular agency shall be appointed to act as trustee. The  
6 trustee will receive all contributions; purchase and deliver all bond  
7 certificates; and keep such records and furnish such bond or security  
8 as will render full accountability for all bond contributions.

9 (4) Board, lodging or uniform deductions when such board, lodging  
10 and uniforms are furnished by the state, or deductions for academic  
11 tuitions or fees or scholarship contributions payable to the employing  
12 institution.

13 (5) Dues and other fees deductions: PROVIDED, That the deduction  
14 is for payment of membership dues to any professional organization  
15 formed primarily for public employees or college and university  
16 professors: AND PROVIDED, FURTHER, That twenty-five or more employees  
17 of a single state agency, or a total of one hundred or more state  
18 employees of several agencies have authorized such a deduction for  
19 payment to the same professional organization.

20 (6) Labor, employee, or retiree organization dues, and voluntary  
21 employee contributions to any funds, committees, or subsidiary  
22 organizations maintained by labor, employee, or retiree organizations,  
23 may be deducted in the event that a payroll deduction is not provided  
24 under a collective bargaining agreement under the provisions of chapter  
25 41.80 RCW: PROVIDED, That each labor, employee, or retiree  
26 organization chooses only one fund for voluntary employee  
27 contributions: PROVIDED, FURTHER, That twenty-five or more officers or  
28 employees of a single agency, or a total of one hundred or more  
29 officers or employees of several agencies have authorized such a  
30 deduction for payment to the same labor, employee, or retiree  
31 organization: PROVIDED, FURTHER, That labor, employee, or retiree  
32 organizations with five hundred or more members in state government may  
33 have payroll deduction for employee benefit programs.

34 (7) Insurance contributions to the authority for payment of  
35 premiums under contracts authorized by the state health care authority.  
36 However, enrollment or assignment by the state health care authority to  
37 participate in a health care benefit plan, as required by RCW

1 41.05.065(~~(+7)~~) (8), shall authorize a payroll deduction of premium  
2 contributions without a written consent under the terms and conditions  
3 established by the public employees' benefits board.

4 (8) Deductions to a bank, savings bank, or savings and loan  
5 association if (a) the bank, savings bank, or savings and loan  
6 association is authorized to do business in this state; and (b) twenty-  
7 five or more employees of a single agency, or fewer, if a lesser number  
8 is established by such agency, or a total of one hundred or more state  
9 employees of several agencies have authorized a deduction for payment  
10 to the same bank, savings bank, or savings and loan association.

11 Deductions from salaries and wages of public officers and employees  
12 other than those enumerated in this section or by other law, may be  
13 authorized by the director of financial management for purposes clearly  
14 related to state employment or goals and objectives of the agency and  
15 for plans authorized by the state health care authority.

16 (9) Contributions to the Washington state combined fund drive.

17 The authority to make deductions from the salaries and wages of  
18 public officers and employees as provided for in this section shall be  
19 in addition to such other authority as may be provided by law:  
20 PROVIDED, That the state or any department, division, or separate  
21 agency of the state shall not be liable to any insurance carrier or  
22 contractor for the failure to make or transmit any such deduction.

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