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**SENATE BILL 5648**

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**State of Washington**

**69th Legislature**

**2025 Regular Session**

**By** Senator Braun

1 AN ACT Relating to encouraging achieving a better life experience  
2 accounts; amending RCW 43.330.464; adding a new section to chapter  
3 43.330 RCW; and creating a new section.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that:

6 (1) In 2016, legislation was enacted to implement the Washington  
7 achieving a better life experience (ABLE) program to allow persons  
8 with qualifying disabilities to create tax-advantaged savings  
9 accounts known as ABLE accounts. Eligible individuals currently  
10 include persons with significant physical, behavioral, developmental,  
11 or military disabilities with an age of onset of disability before  
12 turning 26 years of age. Eligible individuals can contribute their  
13 own earnings to their ABLE accounts as well as accept contributions  
14 from family members and employers. ABLE accounts can be used to fund  
15 a wide range of expenses related to the eligible individual's  
16 disability without risking eligibility for means-tested public  
17 benefits such as medicaid and supplemental security income.

18 (2) Increasing participation in the ABLE program helps the  
19 individual by increasing self-reliance, encouraging employment, and  
20 improving quality of life, and helps the program by keeping account  
21 fees low. Recognizing the benefits of the ABLE program, congress

1 recently enacted the ABLE age adjustment act that would raise the  
2 threshold for the onset of a qualifying disability to age 46  
3 beginning January 2026. The purpose of this act is to encourage  
4 participation in the ABLE program by providing funding for program  
5 promotion, reducing individual account fees, and to contribute  
6 funding to ABLE accounts.

7 NEW SECTION. **Sec. 2.** A new section is added to chapter 43.330  
8 RCW to read as follows:

9 (1) The encouraging achieving a better life experience account,  
10 also known as the ENABLE account, is created in the custody of the  
11 state treasurer. Moneys from legislative appropriations and  
12 transfers, federal funds, public or private donations, gifts, and  
13 grants, and any other lawful source may be deposited into the  
14 account. Expenditures from the account may be used only for the  
15 following purposes in the following priority:

16 (a) Up to \$250,000 or 0.25 percent of the balance of the account  
17 on July 1st of each fiscal year, whichever is less, may be used for  
18 administrative and promotional expenses for that fiscal year;

19 (b) Reducing or eliminating fees charged against individual  
20 Washington achieving a better life experience program accounts to  
21 administer or invest moneys in each account, up to a maximum of \$50  
22 annually per account;

23 (c) Depositing \$1,000 into each individual Washington achieving a  
24 better life experience program account in existence on July 1, 2025;  
25 and

26 (d) Depositing \$1,000 into each new individual Washington  
27 achieving a better life experience program account opened in  
28 Washington state after July 1, 2025, or an existing account rolled  
29 over into an individual Washington achieving a better life experience  
30 program account after July 1, 2025.

31 (2) Only the director of the Washington achieving a better life  
32 experience governing board or the board's designee may authorize  
33 expenditures from the account. The account is subject to allotment  
34 procedures under chapter 43.88 RCW, but an appropriation is not  
35 required for expenditures. If any deposit from the ENABLE account  
36 into an individual Washington achieving a better life experience  
37 program account would result in the individual exceeding the  
38 contribution limit allowed under internal revenue service

1 regulations, the individual may defer the ENABLE deposit for up to  
2 two years to prevent exceeding the limit.

3 **Sec. 3.** RCW 43.330.464 and 2018 c 76 s 3 are each amended to  
4 read as follows:

5 (1) The governing board may elect to have the state investment  
6 board or investment manager invest the money in the Washington  
7 achieving a better life experience program account. If the governing  
8 board so elects, the state investment board created in RCW 43.33A.020  
9 or the investment manager has the full power to invest, reinvest,  
10 manage, contract, sell, or exchange investment money in the  
11 Washington achieving a better life experience program account. All  
12 investment and operating costs associated with the investment of  
13 money by the state investment board must be paid pursuant to RCW  
14 43.33A.160 and 43.84.160. With the exception of these expenses, the  
15 earnings from the investment of the money must be retained by the  
16 account.

17 (2) (a) After consultation with the governing board, the state  
18 investment board or investment manager may elect to invest any self-  
19 directed accounts associated with the Washington achieving a better  
20 life experience program. The state investment board or investment  
21 manager has full authority to invest all self-directed investment  
22 moneys in accordance with this section and RCW 43.84.150. In carrying  
23 out this authority the state investment board or investment manager,  
24 after consultation with the governing board regarding any  
25 recommendations, shall provide a set of options for eligible  
26 individuals to choose from for self-directed investment. Any self-  
27 directed investment options provided must comply with section 529A of  
28 the federal internal revenue code of 1986, as amended.

29 (b) ~~((All))~~ Except as provided in section 2(1)(b) of this act,  
30 all investment and operating costs of the state investment board or  
31 investment manager associated with making self-directed investments  
32 must be paid by eligible individuals and recovered under procedures  
33 agreed to by the governing board and the state investment board or  
34 investment manager consistent with the principles set forth in RCW  
35 43.33A.160. ~~((All))~~ Except as provided in section 2(1)(b) of this  
36 act, all other expenses caused by self-directed investments must be  
37 paid by the eligible individual in accordance with rules established  
38 by the governing board. With the exception of these expenses, all  
39 earnings from self-directed investments shall accrue to the eligible

1 individual's Washington achieving a better life experience program  
2 account.

3 (c) (i) The governing board shall keep or cause to be kept full  
4 and adequate accounts and records of each eligible individual  
5 Washington achieving a better life experience program account.

6 (ii) The governing board shall account for and report on the  
7 investment of self-directed assets or may enter into an agreement  
8 with the recordkeepers for such accounting and reporting under this  
9 chapter.

10 (iii) The governing board's duties related to eligible individual  
11 Washington achieving a better life experience program accounts  
12 include conducting ~~(+)~~, or causing to be conducted, the activities  
13 of trade instruction, settlement activities, and direction of cash  
14 movement and related wire transfers with the custodian bank and  
15 outside investment firms.

16 (iv) The governing board has sole responsibility for contracting  
17 with any recordkeepers for individual Washington achieving a better  
18 life experience program accounts and shall manage the performance of  
19 recordkeepers under those contracts.

20 (v) The governing board has sole responsibility for contracting  
21 with outside investment firms to provide investment management for  
22 the individual Washington achieving a better life experience program  
23 accounts and shall manage the performance of investment managers  
24 under those contracts.

25 (vi) The governing board must contract with an organization to  
26 promote and encourage eligible individuals to open individual  
27 Washington achieving a better life experience program accounts as  
28 well as making contributions to existing or rolled over individual  
29 accounts. If the recordkeeper or outside investment firm contracted  
30 by the governing board under (c) (iv) or (v) of this subsection can  
31 perform this function, the governing board may revise any existing  
32 contract for this purpose without engaging in a competitive process  
33 required under chapter 39.26 RCW.

34 (d) The governing board shall designate and define the terms of  
35 engagement for the custodial banks under authority that the state  
36 treasurer shall delegate pursuant to RCW 43.08.015 with the  
37 concurrence of the office of financial management.

38 (3) All investments made by the state investment board must be  
39 made with the exercise of that degree of judgment and care pursuant

1 to RCW 43.33A.140 and the investment policy established by the state  
2 investment board.

3 (4) As deemed appropriate by the state investment board, money in  
4 the account may be commingled for investment with other funds subject  
5 to investment by the state investment board.

6 (5) The authority to establish all policies relating to the  
7 account resides with the governing board acting to implement, design,  
8 and manage the Washington achieving a better life experience savings  
9 program that allows eligible individuals to create and maintain  
10 savings accounts. The moneys in the account may be spent only for the  
11 purposes of the Washington achieving a better life experience  
12 program.

13 (6) The investment manager shall routinely consult and  
14 communicate with the governing board on the investment policy,  
15 earnings of the account, and related needs of the program.

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