Washington Saves Governing Board Meeting Minutes

Tuesday, June 23, 2026
Virtual – Zoom Webinar
2:00pm

The regular meeting of the Washington Saves Governing Board was called to order at 2:02pm on Tuesday, June 23, 2026 by Chair Representative Reeves.

Board Members Present:

- Representative Reeves, Co-Chair
- Representative Abell, Co-Chair
- Senator Harris
- Treasurer Pellicciotti
- Director Sacks
- Petros Koumantaros
- Patrick Connor
- Ryan Davis
- Marguerite Ro

Board Members Absent:

- Senator Valdez
- John Mangan
- Michaela Corning
- Karim Lessard
- Mark Mullet

Staff Present:

- Jonathan Herrera, Program Manager, Washington Saves
- Erin Beck, Washington Saves Staff
- Cal Barker, Washington Saves Staff

- Kate Adams, AAG
- Drew Bouton, Policy Director, DFI
- Faith Anderson, Director of Securities, DFI
- Jill Vallely, DFI Staff

Others Present:

- Anna Boris, Chief of Staff, Office of the Washington State Treasurer
- Tammie Nuber, Chief Operations Officer, Office of the Washington State Treasurer
- Matt Zuvich, Legislative Director, Office of the Washington State Treasurer

- Jasmine Vasavada, Policy Director, Office of the Washington State Treasurer
- Andy Nicholas, Senior Policy Advisor, L&I
- Angela McNeil, L&I Staff
- Andrea Feirstein, CEO & Managing Director, AKF Consulting

Presenters:

- Paola Nealon, Managing Principal, Meketa Investment Group
- Kay Ceserani, Managing Principal, Meketa Investment Group

Open Session

Agenda Item 1: Approval of the Minutes and Agenda of the May 19, 2026 Meeting of the Washington Saves Governing Board (Action Item)

<u>Board Comment:</u>
None

<u>Public Comment</u>:
None

<u>Board Action:</u>
Director Sacks motioned to approve the minutes and agenda.
This was seconded by Senator Harris.
The motion passed unanimously, 9 ayes and 0 nays

Agenda Item 2: Program Manager's Report (Information Item)
Mr. Herrera provided brief updates on the RFP process and program outreach. He reported that, following guidance from DES and Board approval at the previous meeting, staff has been working in collaboration with DES and DFI to prepare a request for interim delegated procurement authority for the Program Administration and Investment Management procurement. He explained that the process will also include an interagency agreement between the Board and DFI outlining roles and responsibilities for procurement activities and contract management. The agreement, drafted by the Board's AAG and DFI's AAG, will be brought back to the Board for final approval at a future meeting. Mr. Herrera noted that the agreement is expected to remain in effect through June 30, 2027, after which it may be extended, amended, or replaced depending on future decisions regarding administrative support for the board.

Mr. Herrera then provided an update on program outreach and stakeholder engagement. Since the previous outreach update in March, the team established connections with 26 additional organizations and participated in 70 meetings, presentations, webinars, conferences, and outreach planning sessions, bringing the program's totals to 107 organizations and 119 outreach events. He noted that these efforts have spanned both Eastern and Western Washington and emphasized that building relationships, listening to stakeholders, and developing partnerships throughout the state will be foundational to the successful launch of the program. Mr. Herrera also thanked Mr. Barker, Ms. Iyall, and staff at partnering agencies, including the Treasurer's Office, L&I, Commerce, and the Secretary of State for their support through recommendations, introductions, and invitations.

Board Comment:
A member asked how many organizations could be expected to continue working with the program as it moves toward launch and beyond. Mr. Herrera answered that staff intends to maintain and continue developing as many of those relationships as possible over time.

Public Comment:
None

Agenda Item 3: Approval to release RFP for Program Administration & Investment Management and RFI for State Partnership Exploration (Action Item)
Mr. Herrera requested Board authorization to release the RFI for multistate partnership opportunities and the RFP for Program Administration and Investment Management services, subject to final legal, procurement, and technical review. He explained that staff, AKF, Meketa, DFI, DES, and the Attorney General's Office have collaborated over several months to develop the procurement documents and incorporate feedback provided by the Board throughout the process.

Drafts of the scope of work and competitive solicitation document were included with the Board materials to provide an overview of the procurement. Mr. Herrera noted that the documents remain in draft form and are components of a broader procurement package rather than stand-alone documents. Although additional revisions are expected through the final review process, staff does not anticipate substantive changes to the services being sought or the overall procurement structure.

Mr. Herrera noted that the RFI document had not changed significantly since it was last presented to the Board. Because some respondents may participate in both the RFI and RFP processes, staff will align overlapping questions where possible to make the response process more efficient for bidders.

If authorized, staff will complete final reviews, incorporate any remaining edits, and prepare the procurement package for release. The Board will be notified of the release date and be provided with the final documents for reference, along with a reminder of applicable ethics and procurement requirements. Mr. Herrera reminded Board members not to distribute procurement materials directly to prospective respondents and instead direct interested parties to the official WEBS posting, where any amendments will also be available.

Mr. Herrera advised that staff would provide recommendations at a future meeting regarding Board member participation in the evaluation process, including the potential use of Board volunteers for non-cost proposal evaluations and optional respondent demonstrations. Demonstrations will be conducted only if the evaluation team determines they would be beneficial after reviewing the proposals.

Mr. Herrera concluded by recommending that the Board authorize release of the RFI and the RFP, subject to final legal, procurement, and technical review.

Board Comment:
A member asked whether there is a contingency plan if the RFP or RFI did not receive enough responses. Mr. Herrera noted that either process could be reissued if necessary. He added that staff would conduct direct outreach to other states for the RFI and broader outreach to experienced vendors for the RFP. He also explained that the Board will receive a high-level overview of partnership options and RFP submissions before making any decisions.

The Chair noted that the Board could provide direction on the level of Board involvement in the evaluation process. When asked how many respondents would be considered sufficient, the member indicated that more than one would be adequate and requested an email update for the Board on the number of respondents before the submission period closes. Another member suggested including a letter of intent in the procurement package because proposals are often submitted near the deadline. The attending AAG expressed no concern with that approach.

Another member asked how many vendors currently provide Program Administration services for state-facilitated retirement programs. Mr. Herrera answered that two vendors currently serve the existing state programs. The member also asked whether small business representatives could participate in a platform demonstration. Mr. Herrera noted that DES has rules around the participation in the evaluation process and that we would need to work with them to see what is permitted. Demonstrations separate from the formal procurement process are certainly possible and planned once a vendor is in place.
A member also asked about placeholders in the draft RFP documents and how proposals would be scored. Mr. Herrera noted that DES policy does not allow the scoring methodology to be shared before the RFP released, but staff had developed formulas for weighing the various cost components.

Public Comment:
None

Board Action:
Senator Harris motioned to approve the RFP and RFI with the expectation that there will be a letter of intent involved in the process, a demo available, and an update via email on the number of respondents.
Seconded by Mr. Davis.
The motion carried unanimously with 9 yays and 0 nays.

Agenda Item 4: Approval of Washington Saves Draft Rules and Approval to File CR-102 (Action Item)

Mr. Herrera thanked Faith Anderson and Jill Vallely from DFI for their work on the draft regulations and noted that the rulemaking process has benefited from input from Board members, stakeholders, and agency partners. He explained that feedback received throughout the process had been incorporated into the draft rules including proposed provisions for a 30-day employer setup and roster submission period, a 30-day employee decision period, a Roth IRA as the default account type with the option to elect a Traditional IRA, a 5% default contribution rate, 1% annual auto-escalation up to 10%, a 60-day notice before auto-escalation takes effect, and a default investment structure that follows the standard auto-IRA model of an initial capital preservation option followed by an age-appropriate target date fund.

Mr. Herrera then presented staff's recommended phased rollout schedule noting that it was the final remaining policy area for Board consideration before moving the rules to formal proposal. Staff recommended a two-year phased rollout, with employers having more than 20,800 annual employee hours (approximately 10 or more full-time equivalent employees) registering by December 1, 2028, and employers meeting the statutory minimum threshold of 10,400 annual employee hours registering by December 1, 2029. He explained that the recommendation balances implementation, outreach, and stakeholder considerations while maintaining momentum through multiple communication and registration milestones. He also highlighted an amendment recommended by L&I to better align the rollout language with the rules' definition of a covered employer.

Mr. Herrera concluded by requesting Board authorization to file the CR-102 to begin the next phase of rulemaking. He explained that the CR-102 will publish the proposed rules, initiate the formal public comment period, and schedule the public hearing. He noted that staff intends to circulate the draft rules with stakeholders before filing to provide additional opportunities for questions and feedback. Following the public hearing, staff will return to the Board with a summary of comments received and any recommended revisions before requesting authorization to file the CR-103.

<u>Board Comment:</u>

A member expressed appreciation for staff and the DFI rulemaking team for their work developing the draft regulations and incorporating stakeholder feedback. Another member shared comments and suggested clarifications related to several areas in the draft rules, including employer definitions and coverage, employer responsibilities when workforce size changes, non-employee participant provisions, employee opt-out procedures and timelines, notice requirements, and accommodating reasonable payroll processing delays for employers acting in good faith. Co-Chair Reeves suggested scheduling a follow-up meeting with former Senator Mullet and Mr. Herrera to discuss the draft rules in light of the Legislature's intent.

Public Comment:
A member of the public asked whether the rules limit how often employees may change their contribution rates. Ms. Vallely answered that the draft rules do not specify a limit.

A Board member asked whether the rules should establish a specific frequency, noting that quarterly changes may be easier for employers to administer. Mr. Herrera responded that data from other state programs indicate that most savers remain at the default contribution rate and make relatively few changes.

Board Action:
Director Sacks motioned to approve the draft rules as amended.
Seconded by Mr. Conner.
The motion carried with 8 yays and 1 nay.
Yays: Abell, Reeves, Harris, Pellicciotti, Sacks, Koumantaros, Davis, Ro
Nays: Connor

Mr. Connor noted that he was expecting a motion to approve the filing of the CR-102.
Mr. Connor motioned to approved the filing of the CR-102.
Seconded by Director Sacks.
The motion carried unanimously with 9 yays and 0 nays.

Agenda Item 5: Statement of Investment Beliefs (Information Item)
Kay Cesarani and Paola Nealon from Meketa Investment Group continued the Board's discussion of the Statement of Investment Beliefs, using the results of the Board survey completed before the meeting to present eight preliminary investment belief themes. The themes focused on participant centered design, long-term outcomes, simplicity, cost-effectiveness, behaviorally informed design, strong default settings, age-appropriate risk management, passive investing, and adding complexity only where it meaningfully improves participant outcomes. They explained that the purpose of the discussion was to gather Board feedback before bringing a refined draft Statement of Invest Beliefs to a future meeting for consideration. They also noted that while values-aligned investing was not included among the core beliefs, it remains a topic for future discussion as the program continues to develop.

Board Comment:
A member commented that the Board's first priority should be to 'do no harm' to savers, particularly those taking their first steps into investing. Another member noted that saver fees should be considered when determining program design. Other members emphasized the importance of flexible language that supports investment choice for savers who want it while maintaining strong default options for those who do not actively make selections. Members also asked for clarification regarding the language used to describe cost and participant behavior.

Public Comment:
None

Agenda Item 6: Board Member Questions and Comments
None

Agenda Item 9: Public Comment
None

Adjournment:
The meeting was adjourned at 3:58pm by Chair Representative Reeves. The next general meeting will be virtual at 2:00pm on Tuesday, July 21 via Zoom Webinar.

Minutes submitted by: Erin Beck, Washington Saves Staff