
SUBSTITUTE SENATE BILL 5188

State of Washington

67th Legislature

2021 Regular Session

By Senate Business, Financial Services & Trade (originally sponsored by Senators Kuderer, Nguyen, Conway, Darneille, Das, Dhingra, Hasegawa, Hunt, Lias, Lovelett, Stanford, Van De Wege, Wellman, and Wilson, C.)

READ FIRST TIME 02/10/21.

1 AN ACT Relating to the creation of the Washington state public
2 financial cooperative; amending RCW 39.59.040, 42.56.270, 42.56.400,
3 43.10.067, and 43.84.080; reenacting and amending RCW 43.56.400;
4 adding a new section to chapter 43.190 RCW; adding a new chapter to
5 Title 43 RCW; creating a new section; providing an effective date;
6 and providing an expiration date.

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

8 NEW SECTION. **Sec. 1.** FINDINGS AND INTENT. The legislature finds
9 that there exists in the state of Washington billions of dollars of
10 critical local projects for the planning, acquisition, construction,
11 repair, replacement, rehabilitation, or improvement of streets and
12 roads, bridges, water systems, storm and sanitary sewage systems,
13 solid waste handling, communications systems, housing, and other
14 public infrastructure and economic development projects. But while
15 some local governments successfully borrow for infrastructure and
16 economic development capital projects through private sector lenders
17 and the bond markets, other government entities do not have the same
18 access to capital at attractive rates to be used in building out
19 public infrastructure.

20 It is the policy of the state of Washington to encourage self-
21 reliance by local and tribal governments in meeting their public

1 works and economic development needs, and to assist in the financing
2 of critical public works and economic development projects by
3 providing effective mechanisms for making and financing loans and
4 providing financing guarantees that do not create state debt. It is
5 also the policy of the state to provide technical assistance to
6 government entities for these projects.

7 It is further the policy of the state to foster and promote by
8 all reasonable means the provision of adequate capital markets and
9 facilities for borrowing money by local governments in the state to
10 finance infrastructure improvements, and to the greatest extent
11 possible to reduce costs of borrowed money to taxpayers and residents
12 of the state.

13 The legislature finds that a Washington state public financial
14 cooperative would provide opportunities for local and tribal
15 government entities to competitively finance a broad array of public
16 infrastructure and economic development projects, including housing,
17 at competitive rates with low administrative costs. A state public
18 financial cooperative will complement the existing banking system by
19 filling gaps that the system cannot or will not fill, and it will be
20 uniquely positioned to provide specialized technical assistance to
21 the diverse needs of local and tribal government entities.

22 It is the purpose of this chapter to establish a Washington state
23 public financial cooperative to act as a financial conduit that,
24 without creating state debt, can receive funds from state, local, and
25 tribal government entities, issue and make loans to those entities,
26 and issue bonds in a manner that does not create state debt, to help
27 facilitate access to needed capital by local and tribal government
28 entities on reasonable terms and rates.

29 The state public financial cooperative will have full powers to
30 borrow money and to issue its bonds and notes in a manner that does
31 not create state debt in order to make capital funds available for
32 borrowing by local and tribal government entities, and those powers
33 will enable the state public financial cooperative to carry out the
34 declared policies of this act, which are in the public interest of
35 the state and its taxpayers and residents.

36 NEW SECTION. **Sec. 2.** DEFINITIONS. The definitions in this
37 section apply throughout this chapter unless the context clearly
38 requires otherwise.

1 (1) "Board" means the operating board of the cooperative
2 established in section 3 of this act.

3 (2) "Bonds" means any bonds, notes, debentures, interim
4 certificates, conditional sales or lease financing agreements, lines
5 of credit, forward purchase agreements, investment agreements, and
6 other banking or financial arrangements, guaranties, or other
7 obligations issued by or entered into by the cooperative, which does
8 not create state debt. Such bonds may be issued on either a tax-
9 exempt or taxable basis.

10 (3) "Borrower" means one or more local or tribal governments.

11 (4) "Cooperative" means the Washington state public financial
12 cooperative established in section 3 of this act, or any board, body,
13 commission, department, or officer succeeding to the principal
14 functions of the cooperative or to whom the powers conferred upon the
15 cooperative are given by law.

16 (5) "Financial assistance" means the infusion of capital to a
17 borrower for use in the planning, acquisition, construction, repair,
18 replacement, rehabilitation, development, and expansion of
19 infrastructure and economic development projects.

20 (6) "Financing agreements" means, and includes without
21 limitation, a contractual arrangement with a borrower whereby the
22 cooperative obtains rights from a borrower in exchange for the
23 granting of financial assistance to the borrower.

24 (7) "Financing document" means an instrument executed by the
25 cooperative and one or more borrowers pertaining to the issuance of
26 or security for bonds, or the application of the proceeds of bonds or
27 other funds of, or payable to, the cooperative. A financing document
28 may include, but need not be limited to, a lease, installment sale
29 agreement, conditional sale agreement, mortgage, loan agreement,
30 trust agreement or indenture, security agreement, letter or line of
31 credit, reimbursement agreement, insurance policy, guaranty
32 agreement, or currency or interest rate swap agreement. A financing
33 document also may be an agreement between the cooperative and an
34 eligible banking organization which has agreed to make a loan to a
35 borrower.

36 (8) "Infrastructure projects" means undertakings for the
37 planning, acquisition, construction, repair, replacement,
38 rehabilitation, or improvement of streets and roads, bridges, water
39 systems, storm and sanitary sewage systems, solid waste handling,
40 pollution control facilities, schools, communications systems, docks

1 and wharves, mass transportation facilities and equipment, public
2 housing, fire suppressing and emergency services equipment and
3 facilities, energy generating, conservation, or transmission
4 facilities, and other public infrastructure deemed eligible by the
5 board.

6 (9) "Local government" means any Washington city, town, county,
7 special purpose district, authority, instrumentality, or other local
8 municipal or interlocal entity created pursuant to Washington law.

9 (10) "Member" means the state government, a local government, or
10 a tribal government that has joined the cooperative consistent with
11 section 4 of this act.

12 (11) "Project costs" means costs of:

13 (a) Acquisition, lease, construction, reconstruction, remodeling,
14 refurbishing, rehabilitation, extension, and enlargement of land,
15 rights to land, buildings, structures, docks, wharves, fixtures,
16 machinery, equipment, excavations, paving, landscaping, utilities,
17 approaches, roadways and parking, handling and storage areas, and
18 similar ancillary facilities, and any other real or personal property
19 included in an infrastructure project;

20 (b) Architectural, engineering, consulting, accounting, and legal
21 costs related directly to the development, financing, acquisition,
22 lease, construction, reconstruction, remodeling, refurbishing,
23 rehabilitation, extension, and enlargement of an infrastructure
24 project, including costs of studies assessing the feasibility of an
25 infrastructure project;

26 (c) Finance costs, including the costs of credit enhancement and
27 discounts, if any, the costs of issuing revenue bonds, and the costs
28 incurred in carrying out any financing document;

29 (d) Start-up costs, working capital, capitalized research and
30 development costs, capitalized interest during construction and
31 during the 18 months after estimated completion of construction, and
32 capitalized debt service or repair and replacement or other
33 appropriate reserves;

34 (e) The refunding of any outstanding obligations incurred for any
35 of the costs outlined in this subsection; and

36 (f) Other costs incidental to any of the costs listed in this
37 subsection.

38 (12) "State" means the state of Washington and any department,
39 agency, or instrumentality thereof other than the cooperative.

1 (13) "Tribal government" means the governing body of a federally
2 recognized Indian tribe as defined in RCW 43.376.010.

3 NEW SECTION. **Sec. 3.** ESTABLISHMENT. (1) The Washington state
4 public financial cooperative is established as a public body
5 corporate and politic, with perpetual corporate succession,
6 constituting an instrumentality of the state of Washington exercising
7 essential governmental functions. The cooperative is a public body
8 within the meaning of RCW 39.53.010.

9 (2) The cooperative may be activated by an appropriation that is
10 sufficient to capitalize the cooperative so that it can issue debt
11 with a competitive rating and the submission of executed articles of
12 activation in a form approved by the state finance committee to the
13 secretary of state. The articles of activation must be filed with the
14 secretary of state, and the cooperative shall be deemed to have been
15 formed as of the date of that filing. The articles of activation must
16 be approved by the legislative authority of each of the member local
17 or tribal governments that subsequently becomes a member. Each member
18 local or tribal government must provide to the cooperative a
19 contribution of an amount approved by the state finance committee,
20 and the board may subsequently adjust the minimum contribution level
21 for current and new members. Any amendments to the articles of
22 activation must be filed with the secretary of state and will become
23 effective on the date of filing. The department of financial
24 institutions must, upon the filing of articles of activation, issue a
25 charter to the cooperative in a form proposed by the board and
26 approved by the state finance committee.

27 (3) (a) The operating board of the cooperative consists of nine
28 directors. Terms of directors are four years, with half of the
29 initial directors other than the initial chair serving two-year terms
30 as determined by lot, with those positions being filled for four-year
31 terms thereafter.

32 (b) Five member-appointed directors must be selected by a
33 majority of the members of the cooperative. Member-appointed
34 directors must be elected local or tribal government officials. Three
35 public directors must be appointed by the governor and confirmed by
36 the senate. The public directors must be residents of the state
37 appointed by the governor on the basis of their interest and
38 expertise in finance, accounting, budgeting, economic development,

1 infrastructure planning, design, construction, or project management.
2 The state treasurer shall serve as an ex officio director.

3 (c) One of the public members shall be appointed by the governor
4 as chair of the board and shall serve as chair at the pleasure of the
5 governor. The initial chair must serve a full four-year term. The
6 cooperative may select from its membership such other officers of the
7 cooperative as it deems appropriate, including without limitation a
8 secretary and a treasurer.

9 (d) In the event of a vacancy on the board due to death,
10 resignation, lack of qualification to serve as a director, or
11 otherwise, a successor for the remainder of the unexpired term shall
12 be selected in the same manner as the selection of the director whose
13 position has become vacant. Any independent member of the cooperative
14 may be removed by the governor for misfeasance, malfeasance, or
15 willful neglect of duty after notice and a public hearing, unless
16 such notice and hearing are expressly waived in writing by the
17 affected public member.

18 (e) The state treasurer may designate an employee to act on his
19 or her behalf in all respects with regard to any matter to come
20 before the cooperative. Such designation must be made in writing in
21 such manner as is specified by the rules of the cooperative.

22 (f) A majority of the directors constitutes a quorum.

23 (g) The directors of the cooperative serve without compensation
24 but are entitled to reimbursement, solely from the funds of the
25 cooperative, for expenses incurred in the discharge of their duties
26 under this chapter.

27 (4) The state finance committee serves as the oversight board of
28 the cooperative. In that capacity, the state finance committee must
29 carry out the responsibilities specified in this chapter. In
30 addition, the state finance committee may at its discretion require
31 independent audits of the accounts and transactions of the
32 cooperative and the methods, procedures, and operation of the
33 cooperative in carrying out its duties.

34 (5) The cooperative is a state agency subject to audit by the
35 state auditor under chapter 43.09 RCW. In addition, the department of
36 financial institutions may, at the discretion of the director of
37 financial institutions, review the funds placed with the cooperative
38 and the accounts and transactions of the cooperative in carrying out
39 the cooperative's duties. Nothing in this subsection establishes that

1 the cooperative is an institution or entity otherwise subject to the
2 jurisdiction of the department of financial institutions.

3 (6) The board has the authority to hire and fire an executive
4 director. The executive director shall be funded in the Washington
5 state housing finance commission budget and shall administer and
6 operate the Washington state public financial cooperative.

7 (7) The cooperative's administration and operation must be
8 performed by employees of the Washington state housing finance
9 commission, subject to the terms of one or more agreements between
10 the cooperative and the commission concerning responsibilities of the
11 commission's staff and compensation of the commission.

12 (8) The board must approve the budget of the cooperative
13 annually.

14 (9) The board shall establish an internal audit committee.

15 (10) The cooperative shall have a goal of providing 35 percent of
16 the amount it lends on an annual basis to support housing in low to
17 moderate-income areas, beginning five years after the cooperative has
18 been activated as provided in this section.

19 (11) The cooperative must not be or constitute a bank or trust
20 company within the jurisdiction or under the control of the director
21 of financial institutions, the comptroller of the currency of the
22 United States of America, or the United States department of the
23 treasury.

24 (12) The cooperative must not be or constitute a bank, broker, or
25 dealer in securities within the meaning of, or subject to the
26 provisions of, any securities, securities exchange, or securities
27 dealers' law of the United States of America or this state.

28 (13) The cooperative is not a public depository for any purpose
29 under chapter 39.58 RCW.

30 (14) The cooperative may not issue bonds in a manner that would
31 create state debt.

32 NEW SECTION. **Sec. 4.** POWERS. The cooperative is authorized to:

33 (1) Sue and be sued in its own name, and plead and be impleaded;

34 (2) Adopt and alter an official seal;

35 (3) Make and enforce bylaws and regulations for the conduct of
36 its business and for the use of its services and facilities;

37 (4) Engage such independent consultants, attorneys, and advisers
38 as the cooperative deems necessary, useful, or convenient to
39 accomplish its purposes, and, subject to section 5(6) of this act,

1 contract with federal, state, and local or tribal governmental
2 entities for services;

3 (5) Make and execute all manner of contracts, agreements, and
4 instruments and financing documents with public and private parties
5 as the cooperative deems necessary, useful, or convenient to
6 accomplish its purposes;

7 (6) Acquire, hold, use, and dispose of real or personal property,
8 or any interest therein, in the name of the cooperative, and to sell,
9 assign, lease, encumber, mortgage, or otherwise dispose of the same
10 in such manner as the cooperative deems necessary, useful, or
11 convenient to accomplish its purposes;

12 (7) Acquire, hold, use, and dispose of its income, revenues,
13 funds, and money;

14 (8) Receive funds from state, local, or tribal governments,
15 invest those moneys in lawful funds, including without limitation
16 investments in loans made by the cooperative to borrowers;

17 (9) Open and maintain accounts in qualified public depositories;
18 in the federal reserve bank of San Francisco, in the national
19 cooperative bank, in a federal home loan bank, or in any other
20 federal financing entity, and otherwise provide for the investment of
21 any funds not required for immediate disbursement and provide for the
22 selection of investments. The cooperative may participate in and use
23 the federal reserve banks payments systems and account services;

24 (10) Appear in its own behalf before boards, commissions,
25 departments, or agencies of federal, state, local, or tribal
26 governments;

27 (11) Procure such insurance of such types, in such amounts, and
28 from such insurers as the cooperative deems desirable including, but
29 not limited to, insurance against any loss or damage to its property
30 or other assets, public liability insurance for injuries to persons
31 or property, and directors and officers liability insurance;

32 (12) Accept gifts or grants from the United States, or from any
33 governmental unit or person, firm, or corporation, carry out the
34 terms or provisions or make agreements with respect to the gifts or
35 grants, and do all things necessary, useful, desirable, or convenient
36 in connection with procuring, accepting, or disposing of the gifts or
37 grants;

38 (13) Apply for and accept grants, loans, advances, and
39 contributions from any source of money, property, labor, or other

1 things of value, to be held, used, and applied as the cooperative
2 deems necessary, useful, or convenient to accomplish its purposes;

3 (14) Borrow money and issue its bonds consistent with this
4 chapter and provide for and secure their payment, provide for the
5 rights of bond owners and purchasers, and hold and dispose of any of
6 its bonds;

7 (15) For the purpose of facilitating the financing of
8 infrastructure and economic development activity in the state of
9 Washington by the state or local or tribal governments, develop and
10 conduct a program or programs to make loans to borrowers for project
11 costs of infrastructure and economic development projects. Those
12 loans may be made from the proceeds of bonds issued by the
13 cooperative, from funds held by the cooperative, and from other
14 assets of the cooperative including contributions. The cooperative
15 may develop and conduct a program that will stimulate and encourage
16 the development of infrastructure and economic development projects
17 by the infusion of financial assistance for state, local, or tribal
18 governments;

19 (16) Establish guidelines for the engagement by state, local, or
20 tribal governments in programs conducted by the cooperative under
21 this chapter. The cooperative may prescribe the form of application
22 or procedure required of a borrower for a loan, fix the terms and
23 conditions of the loan or purchase, and enter into financing
24 agreements and other financing documents with borrowers with respect
25 to loans and other forms of financial assistance;

26 (17) Establish, revise, and collect such member contributions and
27 such fees and charges as the cooperative deems necessary, useful, or
28 convenient to accomplish its purposes. Members are authorized to make
29 such contributions, and state, local, and tribal governments are
30 authorized to pay such fees and charges;

31 (18) Make such expenditures as are appropriate for paying the
32 administrative costs and expenses of the cooperative in carrying out
33 the provisions of this chapter;

34 (19) Establish such reserves and special funds, including but not
35 limited to debt service and sinking funds, reserve funds, project
36 funds, and such other special funds as the cooperative deems
37 necessary, useful, or convenient, and controls on funds to and from
38 them, as the cooperative deems necessary, useful, or convenient to
39 accomplish its purposes;

1 (20) Provide financial assistance and other forms of assistance
2 to state, local, or tribal governments by providing information,
3 advice, guidelines, forms, and procedures for implementing their
4 financing programs;

5 (21) When authorized by not less than two-thirds of the members
6 of the board, make distributions to members of amounts that the board
7 deems surplus to the needs of the cooperative;

8 (22) Engage outside legal counsel, while receiving counsel on a
9 routine basis from the office of the attorney general;

10 (23) Adopt rules concerning its exercise of the powers authorized
11 by this chapter; and

12 (24) Exercise any other power the cooperative deems necessary,
13 useful, or convenient to accomplish its purposes and exercise the
14 powers expressly granted in this chapter.

15 NEW SECTION. **Sec. 5.** FINANCING POWERS. (1) Bonds issued under
16 this chapter must be issued in the name of the cooperative. The bonds
17 are not obligations of the state of Washington, may not create state
18 debt, and are obligations only of the cooperative payable from the
19 special fund or funds created by the cooperative for their payment.
20 Such funds are not public moneys or funds of the state of Washington
21 and at all times must be kept segregated and set apart from other
22 funds.

23 (2) Bonds issued under this chapter must contain a recital on
24 their face to the effect that payment of the principal of, interest
25 on, and prepayment premium, if any, on the bonds, is a valid claim
26 only as against the special fund or funds relating thereto, that
27 neither the faith and credit nor the taxing power of the state or any
28 municipal corporation, subdivision, or agency of the state, other
29 than the cooperative as set forth in this chapter, is pledged to the
30 payment of the principal of, interest on, and prepayment premium, if
31 any, on the bonds. Contracts entered into by the cooperative must be
32 entered into in the name of the cooperative and not in the name of
33 the state of Washington. The obligations of the cooperative under the
34 contracts must be obligations only of the cooperative and are not in
35 any way obligations of the state of Washington.

36 (3) The cooperative's bonds must bear such date or dates, mature
37 at such time or times, be in such denominations, be in such form, be
38 registered or registrable in such manner, be made transferable,
39 exchangeable, and interchangeable, be payable in such medium of

1 payment, at such place or places, be subject to such terms of
2 redemption, bear such fixed or variable rate or rates of interest, be
3 payable at such time or times, and be sold in such manner and at such
4 price or prices, as the cooperative determines. The bonds shall be
5 executed by the chair, by either its duly elected secretary or its
6 treasurer, and by the trustee or paying agent if the cooperative
7 determines to use a trustee or paying agent for the bonds. Execution
8 of the bonds may be by manual or facsimile signature. The bonds of
9 the cooperative may be negotiable instruments under Title 62A RCW.

10 (4) The bonds of the cooperative are subject to such terms,
11 conditions, covenants, and protective provisions as are found
12 necessary or desirable by the cooperative including, but not limited
13 to, pledges of the cooperative's assets, setting aside of reserves,
14 limitations on additional forms of indebtedness, and the mortgaging
15 of all or any part of the cooperative's real or personal property,
16 then owned or thereafter acquired, and other provisions the
17 cooperative finds are necessary or desirable for the security of bond
18 owners.

19 (5) Any bonds issued under this chapter may be secured by a
20 financing document between the cooperative and the purchasers or
21 owners of such bonds or between the cooperative and a corporate
22 trustee appointed by the cooperative, which may be any trust company
23 or bank having the powers of a trust company within or without the
24 state. The financing document may pledge or assign, in whole or in
25 part, the revenues and funds held or to be received by the
26 cooperative, any present or future contract or other rights to
27 receive the same, and the proceeds thereof. The financing document
28 may contain such provisions for protecting and enforcing the rights,
29 security, and remedies of bond owners as may be reasonable and proper
30 including, without limiting the generality of the foregoing,
31 provisions defining defaults and providing for remedies in the event
32 of default which may include the acceleration of maturities,
33 restrictions on the individual rights of action by bond owners, and
34 covenants setting forth duties of and limitations on the cooperative
35 in conduct of its programs and the management of its property. In
36 addition to other security provided in this chapter or otherwise by
37 law, bonds issued by the cooperative may be secured, in whole or in
38 part, by a pledge of the assets of the cooperative, including
39 contributions of the members, or by financial guaranties, insurance
40 or letters of credit issued to the cooperative or a trustee or any

1 other person, by any bank, trust company, insurance or surety
2 company, or other financial institution, within or without the state.
3 The cooperative may pledge or assign, in whole or in part, the
4 revenues and funds held or to be received by the cooperative, any
5 present or future contract or other rights to receive the same, and
6 the proceeds thereof, as security for such guaranties or insurance or
7 for the reimbursement by the cooperative to any issuer of such letter
8 of credit of any payments made under such letter of credit. No
9 individual member is liable to the cooperative, to the cooperative's
10 trustee, or to any other person in amounts exceeding the member's
11 contribution unless authorized by a majority of the members of the
12 cooperative.

13 (6) The cooperative may enter into financing documents with
14 borrowers regarding bonds issued by the cooperative that may provide
15 for the payment by each borrower of amounts sufficient, together with
16 other revenues available to the cooperative, if any, to:

17 (a) Pay the borrower's share of the fees established by the
18 cooperative;

19 (b) Pay the principal of, premium, if any, and interest on
20 outstanding bonds of the cooperative issued in respect of such
21 borrower as the same shall become due and payable; and

22 (c) Create and maintain reserves required or provided for by the
23 cooperative in connection with the issuance of such bonds. The
24 payments are not subject to supervision or regulation by any
25 department, committee, board, body, bureau, or agency of the state
26 other than the cooperative.

27 (7) Any security interest created in the unexpended bond proceeds
28 and in the special funds created by the cooperative must be
29 immediately valid and binding against such moneys and any securities
30 in which such moneys may be invested without cooperative or trustee
31 possession thereof, and the security interest is prior to any party
32 having any competing claim in such moneys or securities, without
33 filing or recording pursuant to chapter 62A.9A RCW and regardless of
34 whether the party has notice of the security interest.

35 (8) When issuing bonds, the cooperative may provide for the
36 future issuance of additional bonds or parity debt on a parity with
37 outstanding bonds, and the terms and conditions of their issuance.
38 The cooperative may refund or advance refund any bond of the
39 cooperative in accordance with chapter 39.53 RCW or issue bonds with
40 a subordinate lien against the fund or funds securing outstanding

1 bonds. Bonds issued for refunding purposes may be combined with bonds
2 issued for the financing or refinancing of new projects. Pending the
3 application of the proceeds of the refunding bonds to the redemption
4 of the bonds to be redeemed, the cooperative may enter into an
5 agreement or agreements with a corporate trustee regarding the
6 interim investment of the proceeds and the application of the
7 proceeds and the earnings on the proceeds to the payment of the
8 principal of and interest on, and the redemption of, the bonds to be
9 redeemed.

10 (9) All money received by or on behalf of the cooperative with
11 respect to this issuance of its bonds are trust funds to be held and
12 applied solely as provided in this chapter. The cooperative, in lieu
13 of receiving and applying the moneys itself, may enter into a trust
14 agreement or indenture with one or more banks, including the national
15 cooperative bank, or trust companies having the power and bank to
16 conduct trust business in the state to:

17 (a) Perform all or any part of the obligations of the cooperative
18 with respect to: (i) Bonds issued by it; (ii) the receipt,
19 investment, and application of the proceeds of the bonds and money
20 paid by a participant or available from other sources for the payment
21 of the bonds; (iii) the enforcement of the obligations of a borrower
22 in connection with the financing or refinancing of any project; and
23 (iv) other matters relating to the exercise of the cooperative's
24 powers under this chapter;

25 (b) Receive, hold, preserve, and enforce any security interest or
26 evidence of security interest granted by a participant for purposes
27 of securing the payment of the bonds; and

28 (c) Act on behalf of the cooperative or the owners of bonds of
29 the cooperative for purposes of assuring or enforcing the payment of
30 the bonds, when due.

31 (10) The cooperative may purchase its bonds with any of its funds
32 available for the purchase. The cooperative may hold, pledge, cancel,
33 or resell the bonds subject to and in accordance with agreements with
34 bond owners.

35 (11) The chair of the state finance cooperative or the chair's
36 designee must be notified in advance of the issuance of bonds by the
37 cooperative in order to promote the orderly offering of obligations
38 in the financial markets.

39 (12) Neither the members of the cooperative, nor its directors or
40 agents, nor employees of the Washington state housing finance

1 commission, nor any person executing the bonds, is personally liable
2 on the bonds or subject to any personal liability or accountability
3 by reason of the issuance of the bonds.

4 (13) The cooperative may, out of any fund available therefor,
5 purchase its bonds in the open market.

6 (14) Any owner of bonds of the cooperative issued under this
7 chapter, and the trustee under any trust agreement or indenture, may,
8 either at law or in equity, by suit, action, mandamus, or other
9 proceeding, protect and enforce any of their respective rights, and
10 may become the purchaser at any foreclosure sale if the person is the
11 highest bidder, except to the extent the rights given are restricted
12 by the cooperative in any bond resolution or trust agreement or
13 indenture authorizing the issuance of the bonds.

14 (15) The cooperative may charge for its costs and services in
15 review or consideration of a proposed loan to a state, local, or
16 tribal government, whether or not the loan is made.

17 (16) To the extent permitted under its contracts with the owners
18 of bonds of the cooperative, the cooperative may consent to
19 modification of the rate of interest, time and payment of installment
20 of principal or interest, security, or any other term of a bond or
21 note, loan to a state, local, or tribal government, contract, or
22 agreement of any kind to which the cooperative authority is a party.

23 (17) The bonds of the cooperative are securities in which all
24 public officers and bodies of this state and all counties, cities,
25 municipal corporations, and political subdivisions, all banks,
26 eligible banking organizations, bankers, trust companies, savings
27 banks and institutions, building and loan associations, savings and
28 loan associations, investment companies, insurance companies and
29 associations, and all executors, administrators, guardians, trustees,
30 and other fiduciaries may legally invest any sinking funds, moneys,
31 or other funds belonging to them or within their control.

32 (18) This section provides a complete, additional, and
33 alternative method for accomplishing the purposes of this chapter and
34 shall be regarded as supplemental and additional to powers conferred
35 by other laws. The issuance of bonds and refunding bonds under this
36 chapter need not comply with the requirements of any other law
37 applicable to the issuance of bonds. Insofar as the provisions of
38 this chapter are inconsistent with the provisions of any general or
39 special law, or parts thereof, the provisions of this chapter are
40 controlling.

1 NEW SECTION. **Sec. 6.** A new section is added to chapter 43.190
2 RCW to read as follows:

3 Employees of the Washington state housing finance commission
4 shall primarily administer and operate the Washington state public
5 financial cooperative, as provided by section 3(7) of this act. The
6 cooperative may consult with other state agencies at its discretion
7 and without the approval of the Washington state housing finance
8 commission.

9 **Sec. 7.** RCW 39.59.040 and 2016 c 152 s 11 are each amended to
10 read as follows:

11 Any local government in the state of Washington may invest in:

12 (1) Bonds of the state of Washington and any local government in
13 the state of Washington;

14 (2) General obligation bonds of a state and general obligation
15 bonds of a local government of a state, which bonds have at the time
16 of investment one of the three highest credit ratings of a nationally
17 recognized rating agency;

18 (3) Subject to compliance with RCW 39.56.030, registered warrants
19 of a local government in the same county as the government making the
20 investment;

21 (4) Certificates, notes, or bonds of the United States, or other
22 obligations of the United States or its agencies, or of any
23 corporation wholly owned by the government of the United States; or
24 United States dollar denominated bonds, notes, or other obligations
25 that are issued or guaranteed by supranational institutions, provided
26 that, at the time of investment, the institution has the United
27 States government as its largest shareholder;

28 (5) Federal home loan bank notes and bonds, federal land bank
29 bonds and federal national mortgage association notes, debentures and
30 guaranteed certificates of participation, or the obligations of any
31 other government sponsored corporation whose obligations are or may
32 become eligible as collateral for advances to member banks as
33 determined by the board of governors of the federal reserve system;

34 (6) Bankers' acceptances purchased on the secondary market;

35 (7) Commercial paper purchased in the secondary market, provided
36 that any local government of the state of Washington that invests in
37 such commercial paper must adhere to the investment policies and
38 procedures adopted by the state investment board; ((and))

1 (8) Corporate notes purchased on the secondary market, provided
2 that any local government of the state of Washington that invests in
3 such notes must adhere to the investment policies and procedures
4 adopted by the state investment board; and

5 (9) A cooperative as defined in section 2 of this act.

6 **Sec. 8.** RCW 42.56.270 and 2020 c 238 s 11 are each amended to
7 read as follows:

8 The following financial, commercial, and proprietary information
9 is exempt from disclosure under this chapter:

10 (1) Valuable formulae, designs, drawings, computer source code or
11 object code, and research data obtained by any agency within five
12 years of the request for disclosure when disclosure would produce
13 private gain and public loss;

14 (2) Financial information supplied by or on behalf of a person,
15 firm, or corporation for the purpose of qualifying to submit a bid or
16 proposal for (a) a ferry system construction or repair contract as
17 required by RCW 47.60.680 through 47.60.750; (b) highway construction
18 or improvement as required by RCW 47.28.070; or (c) alternative
19 public works contracting procedures as required by RCW 39.10.200
20 through 39.10.905;

21 (3) Financial and commercial information and records supplied by
22 private persons pertaining to export services provided under chapters
23 43.163 and 53.31 RCW, and by persons pertaining to export projects
24 under RCW 43.23.035;

25 (4) Financial and commercial information and records supplied by
26 businesses or individuals during application for loans or program
27 services provided by chapters 43.325, 43.163, 43.160, 43.330, 43.---
28 (the new chapter created in section 15 of this act), and 43.168 RCW,
29 or during application for economic development loans or program
30 services provided by any local agency;

31 (5) Financial information, business plans, examination reports,
32 and any information produced or obtained in evaluating or examining a
33 business and industrial development corporation organized or seeking
34 certification under chapter 31.24 RCW;

35 (6) Financial and commercial information supplied to the state
36 investment board by any person when the information relates to the
37 investment of public trust or retirement funds and when disclosure
38 would result in loss to such funds or in private loss to the
39 providers of this information;

1 (7) Financial and valuable trade information under RCW 51.36.120;

2 (8) Financial, commercial, operations, and technical and research
3 information and data submitted to or obtained by the clean Washington
4 center in applications for, or delivery of, program services under
5 chapter 70.95H RCW;

6 (9) Financial and commercial information requested by the public
7 stadium authority from any person or organization that leases or uses
8 the stadium and exhibition center as defined in RCW 36.102.010;

9 (10)(a) Financial information, including but not limited to
10 account numbers and values, and other identification numbers supplied
11 by or on behalf of a person, firm, corporation, limited liability
12 company, partnership, or other entity related to an application for a
13 horse racing license submitted pursuant to RCW 67.16.260(1)(b),
14 marijuana producer, processor, or retailer license, liquor license,
15 gambling license, or lottery retail license;

16 (b) Internal control documents, independent auditors' reports and
17 financial statements, and supporting documents: (i) Of house-banked
18 social card game licensees required by the gambling commission
19 pursuant to rules adopted under chapter 9.46 RCW; or (ii) submitted
20 by tribes with an approved tribal/state compact for class III gaming;

21 (c) Valuable formulae or financial or proprietary commercial
22 information records received during a consultative visit or while
23 providing consultative services to a licensed marijuana business in
24 accordance with RCW 69.50.561;

25 (11) Proprietary data, trade secrets, or other information that
26 relates to: (a) A vendor's unique methods of conducting business; (b)
27 data unique to the product or services of the vendor; or (c)
28 determining prices or rates to be charged for services, submitted by
29 any vendor to the department of social and health services or the
30 health care authority for purposes of the development, acquisition,
31 or implementation of state purchased health care as defined in RCW
32 41.05.011;

33 (12)(a) When supplied to and in the records of the department of
34 commerce:

35 (i) Financial and proprietary information collected from any
36 person and provided to the department of commerce pursuant to RCW
37 43.330.050(8); and

38 (ii) Financial or proprietary information collected from any
39 person and provided to the department of commerce or the office of
40 the governor in connection with the siting, recruitment, expansion,

1 retention, or relocation of that person's business and until a siting
2 decision is made, identifying information of any person supplying
3 information under this subsection and the locations being considered
4 for siting, relocation, or expansion of a business;

5 (b) When developed by the department of commerce based on
6 information as described in (a)(i) of this subsection, any work
7 product is not exempt from disclosure;

8 (c) For the purposes of this subsection, "siting decision" means
9 the decision to acquire or not to acquire a site;

10 (d) If there is no written contact for a period of sixty days to
11 the department of commerce from a person connected with siting,
12 recruitment, expansion, retention, or relocation of that person's
13 business, information described in (a)(ii) of this subsection will be
14 available to the public under this chapter;

15 (13) Financial and proprietary information submitted to or
16 obtained by the department of ecology or the authority created under
17 chapter ((70.95N)) 70A.500 RCW to implement chapter ((70.95N))
18 70A.500 RCW;

19 (14) Financial, commercial, operations, and technical and
20 research information and data submitted to or obtained by the life
21 sciences discovery fund authority in applications for, or delivery
22 of, grants under RCW 43.330.502, to the extent that such information,
23 if revealed, would reasonably be expected to result in private loss
24 to the providers of this information;

25 (15) Financial and commercial information provided as evidence to
26 the department of licensing as required by RCW 19.112.110 or
27 19.112.120, except information disclosed in aggregate form that does
28 not permit the identification of information related to individual
29 fuel licensees;

30 (16) Any production records, mineral assessments, and trade
31 secrets submitted by a permit holder, mine operator, or landowner to
32 the department of natural resources under RCW 78.44.085;

33 (17)(a) Farm plans developed by conservation districts, unless
34 permission to release the farm plan is granted by the landowner or
35 operator who requested the plan, or the farm plan is used for the
36 application or issuance of a permit;

37 (b) Farm plans developed under chapter 90.48 RCW and not under
38 the federal clean water act, 33 U.S.C. Sec. 1251 et seq., are subject
39 to RCW 42.56.610 and 90.64.190;

1 (18) Financial, commercial, operations, and technical and
2 research information and data submitted to or obtained by a health
3 sciences and services authority in applications for, or delivery of,
4 grants under RCW 35.104.010 through 35.104.060, to the extent that
5 such information, if revealed, would reasonably be expected to result
6 in private loss to providers of this information;

7 (19) Information gathered under chapter 19.85 RCW or RCW
8 34.05.328 that can be identified to a particular business;

9 (20) Financial and commercial information submitted to or
10 obtained by the University of Washington, other than information the
11 university is required to disclose under RCW 28B.20.150, when the
12 information relates to investments in private funds, to the extent
13 that such information, if revealed, would reasonably be expected to
14 result in loss to the University of Washington consolidated endowment
15 fund or to result in private loss to the providers of this
16 information;

17 (21) Market share data submitted by a manufacturer under RCW
18 (~~70.95N.190~~) 70A.500.190(4);

19 (22) Financial information supplied to the department of
20 financial institutions, when filed by or on behalf of an issuer of
21 securities for the purpose of obtaining the exemption from state
22 securities registration for small securities offerings provided under
23 RCW 21.20.880 or when filed by or on behalf of an investor for the
24 purpose of purchasing such securities;

25 (23) Unaggregated or individual notices of a transfer of crude
26 oil that is financial, proprietary, or commercial information,
27 submitted to the department of ecology pursuant to RCW
28 90.56.565(1)(a), and that is in the possession of the department of
29 ecology or any entity with which the department of ecology has shared
30 the notice pursuant to RCW 90.56.565;

31 (24) Financial institution and retirement account information,
32 and building security plan information, supplied to the liquor and
33 cannabis board pursuant to RCW 69.50.325, 69.50.331, 69.50.342, and
34 69.50.345, when filed by or on behalf of a licensee or prospective
35 licensee for the purpose of obtaining, maintaining, or renewing a
36 license to produce, process, transport, or sell marijuana as allowed
37 under chapter 69.50 RCW;

38 (25) Marijuana transport information, vehicle and driver
39 identification data, and account numbers or unique access identifiers
40 issued to private entities for traceability system access, submitted

1 by an individual or business to the liquor and cannabis board under
2 the requirements of RCW 69.50.325, 69.50.331, 69.50.342, and
3 69.50.345 for the purpose of marijuana product traceability.
4 Disclosure to local, state, and federal officials is not considered
5 public disclosure for purposes of this section;

6 (26) Financial and commercial information submitted to or
7 obtained by the retirement board of any city that is responsible for
8 the management of an employees' retirement system pursuant to the
9 authority of chapter 35.39 RCW, when the information relates to
10 investments in private funds, to the extent that such information, if
11 revealed, would reasonably be expected to result in loss to the
12 retirement fund or to result in private loss to the providers of this
13 information except that (a) the names and commitment amounts of the
14 private funds in which retirement funds are invested and (b) the
15 aggregate quarterly performance results for a retirement fund's
16 portfolio of investments in such funds are subject to disclosure;

17 (27) Proprietary financial, commercial, operations, and technical
18 and research information and data submitted to or obtained by the
19 liquor and cannabis board in applications for marijuana research
20 licenses under RCW 69.50.372, or in reports submitted by marijuana
21 research licensees in accordance with rules adopted by the liquor and
22 cannabis board under RCW 69.50.372;

23 (28) Trade secrets, technology, proprietary information, and
24 financial considerations contained in any agreements or contracts,
25 entered into by a licensed marijuana business under RCW 69.50.395,
26 which may be submitted to or obtained by the state liquor and
27 cannabis board;

28 (29) Financial, commercial, operations, and technical and
29 research information and data submitted to or obtained by the Andy
30 Hill cancer research endowment program in applications for, or
31 delivery of, grants under chapter 43.348 RCW, to the extent that such
32 information, if revealed, would reasonably be expected to result in
33 private loss to providers of this information;

34 (30) Proprietary information filed with the department of health
35 under chapter 69.48 RCW;

36 (31) Records filed with the department of ecology under chapter
37 (~~(70.375)~~) 70A.515 RCW that a court has determined are confidential
38 valuable commercial information under RCW (~~(70.375.130)~~) 70A.515.130;
39 and

1 (32) Unaggregated financial, proprietary, or commercial
2 information submitted to or obtained by the liquor and cannabis board
3 in applications for licenses under RCW 66.24.140 or 66.24.145, or in
4 any reports or remittances submitted by a person licensed under RCW
5 66.24.140 or 66.24.145 under rules adopted by the liquor and cannabis
6 board under chapter 66.08 RCW.

7 **Sec. 9.** RCW 42.56.400 and 2020 c 243 s 4 are each amended to
8 read as follows:

9 The following information relating to insurance and financial
10 institutions is exempt from disclosure under this chapter:

11 (1) Records maintained by the board of industrial insurance
12 appeals that are related to appeals of crime victims' compensation
13 claims filed with the board under RCW 7.68.110;

14 (2) Information obtained and exempted or withheld from public
15 inspection by the health care authority under RCW 41.05.026, whether
16 retained by the authority, transferred to another state purchased
17 health care program by the authority, or transferred by the authority
18 to a technical review committee created to facilitate the
19 development, acquisition, or implementation of state purchased health
20 care under chapter 41.05 RCW;

21 (3) The names and individual identification data of either all
22 owners or all insureds, or both, received by the insurance
23 commissioner under chapter 48.102 RCW;

24 (4) Information provided under RCW 48.30A.045 through 48.30A.060;

25 (5) Information provided under RCW 48.05.510 through 48.05.535,
26 48.43.200 through 48.43.225, 48.44.530 through 48.44.555, and
27 48.46.600 through 48.46.625;

28 (6) Examination reports and information obtained by the
29 department of financial institutions from banks under RCW 30A.04.075,
30 from savings banks under RCW 32.04.220, from savings and loan
31 associations under RCW 33.04.110, from credit unions under RCW
32 31.12.565, from chapter 43.--- RCW (the new chapter created in
33 section 15 of this act), from check cashers and sellers under RCW
34 31.45.030(3), and from securities brokers and investment advisers
35 under RCW 21.20.100, all of which is confidential and privileged
36 information;

37 (7) Information provided to the insurance commissioner under RCW
38 48.110.040(3);

1 (8) Documents, materials, or information obtained by the
2 insurance commissioner under RCW 48.02.065, all of which are
3 confidential and privileged;

4 (9) Documents, materials, or information obtained or provided by
5 the insurance commissioner under RCW 48.31B.015(2) (l) and (m),
6 48.31B.025, 48.31B.030, 48.31B.035, and 48.31B.036, all of which are
7 confidential and privileged;

8 (10) Data filed under RCW 48.140.020, 48.140.030, 48.140.050, and
9 7.70.140 that, alone or in combination with any other data, may
10 reveal the identity of a claimant, health care provider, health care
11 facility, insuring entity, or self-insurer involved in a particular
12 claim or a collection of claims. For the purposes of this subsection:

13 (a) "Claimant" has the same meaning as in RCW 48.140.010(2).

14 (b) "Health care facility" has the same meaning as in RCW
15 48.140.010(6).

16 (c) "Health care provider" has the same meaning as in RCW
17 48.140.010(7).

18 (d) "Insuring entity" has the same meaning as in RCW
19 48.140.010(8).

20 (e) "Self-insurer" has the same meaning as in RCW 48.140.010(11);

21 (11) Documents, materials, or information obtained by the
22 insurance commissioner under RCW 48.135.060;

23 (12) Documents, materials, or information obtained by the
24 insurance commissioner under RCW 48.37.060;

25 (13) Confidential and privileged documents obtained or produced
26 by the insurance commissioner and identified in RCW 48.37.080;

27 (14) Documents, materials, or information obtained by the
28 insurance commissioner under RCW 48.37.140;

29 (15) Documents, materials, or information obtained by the
30 insurance commissioner under RCW 48.17.595;

31 (16) Documents, materials, or information obtained by the
32 insurance commissioner under RCW 48.102.051(1) and 48.102.140 (3) and
33 (7)(a)(ii);

34 (17) Documents, materials, or information obtained by the
35 insurance commissioner in the commissioner's capacity as receiver
36 under RCW 48.31.025 and 48.99.017, which are records under the
37 jurisdiction and control of the receivership court. The commissioner
38 is not required to search for, log, produce, or otherwise comply with
39 the public records act for any records that the commissioner obtains

1 under chapters 48.31 and 48.99 RCW in the commissioner's capacity as
2 a receiver, except as directed by the receivership court;

3 (18) Documents, materials, or information obtained by the
4 insurance commissioner under RCW 48.13.151;

5 (19) Data, information, and documents provided by a carrier
6 pursuant to section 1, chapter 172, Laws of 2010;

7 (20) Information in a filing of usage-based insurance about the
8 usage-based component of the rate pursuant to RCW 48.19.040(5)(b);

9 (21) Data, information, and documents that are submitted to the
10 office of the insurance commissioner by an entity providing health
11 care coverage pursuant to RCW 28A.400.275;

12 (22) Data, information, and documents obtained by the insurance
13 commissioner under RCW 48.29.017;

14 (23) Information not subject to public inspection or public
15 disclosure under RCW 48.43.730(5);

16 (24) Documents, materials, or information obtained by the
17 insurance commissioner under chapter 48.05A RCW;

18 (25) Documents, materials, or information obtained by the
19 insurance commissioner under RCW 48.74.025, 48.74.028, 48.74.100(6),
20 48.74.110(2)(b) and (c), and 48.74.120 to the extent such documents,
21 materials, or information independently qualify for exemption from
22 disclosure as documents, materials, or information in possession of
23 the commissioner pursuant to a financial conduct examination and
24 exempt from disclosure under RCW 48.02.065;

25 (26) Nonpublic personal health information obtained by, disclosed
26 to, or in the custody of the insurance commissioner, as provided in
27 RCW 48.02.068;

28 (27) Data, information, and documents obtained by the insurance
29 commissioner under RCW 48.02.230;

30 (28) Documents, materials, or other information, including the
31 corporate annual disclosure obtained by the insurance commissioner
32 under RCW 48.195.020;

33 (29) Findings and orders disapproving acquisition of a trust
34 institution under RCW 30B.53.100(3); and

35 (30) All claims data, including health care and financial related
36 data received under RCW 41.05.890, received and held by the health
37 care authority.

38 **Sec. 10.** RCW 42.56.400 and 2020 c 243 s 4 and 2020 c 240 s 9 are
39 each reenacted and amended to read as follows:

1 The following information relating to insurance and financial
2 institutions is exempt from disclosure under this chapter:

3 (1) Records maintained by the board of industrial insurance
4 appeals that are related to appeals of crime victims' compensation
5 claims filed with the board under RCW 7.68.110;

6 (2) Information obtained and exempted or withheld from public
7 inspection by the health care authority under RCW 41.05.026, whether
8 retained by the authority, transferred to another state purchased
9 health care program by the authority, or transferred by the authority
10 to a technical review committee created to facilitate the
11 development, acquisition, or implementation of state purchased health
12 care under chapter 41.05 RCW;

13 (3) The names and individual identification data of either all
14 owners or all insureds, or both, received by the insurance
15 commissioner under chapter 48.102 RCW;

16 (4) Information provided under RCW 48.30A.045 through 48.30A.060;

17 (5) Information provided under RCW 48.05.510 through 48.05.535,
18 48.43.200 through 48.43.225, 48.44.530 through 48.44.555, and
19 48.46.600 through 48.46.625;

20 (6) Examination reports and information obtained by the
21 department of financial institutions from banks under RCW 30A.04.075,
22 from savings banks under RCW 32.04.220, from savings and loan
23 associations under RCW 33.04.110, from credit unions under RCW
24 31.12.565, from chapter 43.--- RCW (the new chapter created in
25 section 15 of this act), from check cashers and sellers under RCW
26 31.45.030(3), and from securities brokers and investment advisers
27 under RCW 21.20.100, all of which is confidential and privileged
28 information;

29 (7) Information provided to the insurance commissioner under RCW
30 48.110.040(3);

31 (8) Documents, materials, or information obtained by the
32 insurance commissioner under RCW 48.02.065, all of which are
33 confidential and privileged;

34 (9) Documents, materials, or information obtained or provided by
35 the insurance commissioner under RCW 48.31B.015(2) (l) and (m),
36 48.31B.025, 48.31B.030, 48.31B.035, and 48.31B.036, all of which are
37 confidential and privileged;

38 (10) Data filed under RCW 48.140.020, 48.140.030, 48.140.050, and
39 7.70.140 that, alone or in combination with any other data, may
40 reveal the identity of a claimant, health care provider, health care

1 facility, insuring entity, or self-insurer involved in a particular
2 claim or a collection of claims. For the purposes of this subsection:

3 (a) "Claimant" has the same meaning as in RCW 48.140.010(2).

4 (b) "Health care facility" has the same meaning as in RCW
5 48.140.010(6).

6 (c) "Health care provider" has the same meaning as in RCW
7 48.140.010(7).

8 (d) "Insuring entity" has the same meaning as in RCW
9 48.140.010(8).

10 (e) "Self-insurer" has the same meaning as in RCW 48.140.010(11);

11 (11) Documents, materials, or information obtained by the
12 insurance commissioner under RCW 48.135.060;

13 (12) Documents, materials, or information obtained by the
14 insurance commissioner under RCW 48.37.060;

15 (13) Confidential and privileged documents obtained or produced
16 by the insurance commissioner and identified in RCW 48.37.080;

17 (14) Documents, materials, or information obtained by the
18 insurance commissioner under RCW 48.37.140;

19 (15) Documents, materials, or information obtained by the
20 insurance commissioner under RCW 48.17.595;

21 (16) Documents, materials, or information obtained by the
22 insurance commissioner under RCW 48.102.051(1) and 48.102.140 (3) and
23 (7) (a) (ii);

24 (17) Documents, materials, or information obtained by the
25 insurance commissioner in the commissioner's capacity as receiver
26 under RCW 48.31.025 and 48.99.017, which are records under the
27 jurisdiction and control of the receivership court. The commissioner
28 is not required to search for, log, produce, or otherwise comply with
29 the public records act for any records that the commissioner obtains
30 under chapters 48.31 and 48.99 RCW in the commissioner's capacity as
31 a receiver, except as directed by the receivership court;

32 (18) Documents, materials, or information obtained by the
33 insurance commissioner under RCW 48.13.151;

34 (19) Data, information, and documents provided by a carrier
35 pursuant to section 1, chapter 172, Laws of 2010;

36 (20) Information in a filing of usage-based insurance about the
37 usage-based component of the rate pursuant to RCW 48.19.040(5) (b);

38 (21) Data, information, and documents that are submitted to the
39 office of the insurance commissioner by an entity providing health
40 care coverage pursuant to RCW 28A.400.275;

1 (22) Data, information, and documents obtained by the insurance
2 commissioner under RCW 48.29.017;

3 (23) Information not subject to public inspection or public
4 disclosure under RCW 48.43.730(5);

5 (24) Documents, materials, or information obtained by the
6 insurance commissioner under chapter 48.05A RCW;

7 (25) Documents, materials, or information obtained by the
8 insurance commissioner under RCW 48.74.025, 48.74.028, 48.74.100(6),
9 48.74.110(2) (b) and (c), and 48.74.120 to the extent such documents,
10 materials, or information independently qualify for exemption from
11 disclosure as documents, materials, or information in possession of
12 the commissioner pursuant to a financial conduct examination and
13 exempt from disclosure under RCW 48.02.065;

14 (26) Nonpublic personal health information obtained by, disclosed
15 to, or in the custody of the insurance commissioner, as provided in
16 RCW 48.02.068;

17 (27) Data, information, and documents obtained by the insurance
18 commissioner under RCW 48.02.230;

19 (28) Documents, materials, or other information, including the
20 corporate annual disclosure obtained by the insurance commissioner
21 under RCW 48.195.020;

22 (29) Findings and orders disapproving acquisition of a trust
23 institution under RCW 30B.53.100(3);

24 (30) All claims data, including health care and financial related
25 data received under RCW 41.05.890, received and held by the health
26 care authority; and

27 (31) Contracts not subject to public disclosure under RCW
28 48.200.040 and 48.43.731.

29 **Sec. 11.** RCW 43.10.067 and 1997 c 41 s 9 are each amended to
30 read as follows:

31 No officer, director, administrative agency, board, or commission
32 of the state, other than the attorney general, shall employ, appoint
33 or retain in employment any attorney for any administrative body,
34 department, commission, agency, or tribunal or any other person to
35 act as attorney in any legal or quasi legal capacity in the exercise
36 of any of the powers or performance of any of the duties specified by
37 law to be performed by the attorney general, except where it is
38 provided by law to be the duty of the judge of any court or the
39 prosecuting attorney of any county to employ or appoint such persons:

1 PROVIDED, That RCW 43.10.040, and 43.10.065 through 43.10.080 shall
2 not apply to the administration of the commission on judicial
3 conduct, the state law library, the law school of the state
4 university, the administration of the state bar act by the Washington
5 State Bar Association, ((~~or~~)) the representation of an estate
6 administered by the director of the department of revenue or the
7 director's designee pursuant to chapter 11.28 RCW, or the state
8 public financial cooperative to the extent provided in section 4(22)
9 of this act.

10 The authority granted by chapter 1.08 RCW, RCW 44.28.065, and
11 47.01.061 shall not be affected hereby.

12 **Sec. 12.** RCW 43.84.080 and 2016 c 152 s 18 are each amended to
13 read as follows:

14 Wherever there is in any fund or in cash balances in the state
15 treasury more than sufficient to meet the current expenditures
16 properly payable therefrom, the state treasurer may invest or
17 reinvest such portion of such funds or balances as the state
18 treasurer deems expedient in the following:

19 (1) Certificates, notes, or bonds of the United States, or other
20 obligations of the United States or its agencies, or of any
21 corporation wholly owned by the government of the United States or
22 United States dollar denominated bonds, notes, or other obligations
23 that are issued or guaranteed by supranational institutions, provided
24 that, at the time of investment, the institution has the United
25 States government as its largest shareholder;

26 (2) In state, county, municipal, or school district bonds, notes,
27 or in warrants of taxing districts of the state. Such bonds and
28 warrants shall be only those found to be within the limit of
29 indebtedness prescribed by law for the taxing district issuing them
30 and to be general obligations. The state treasurer may purchase such
31 bonds or warrants directly from the taxing district or in the open
32 market at such prices and upon such terms as it may determine, and
33 may sell them at such times as it deems advisable;

34 (3) In federal home loan bank notes and bonds, federal land bank
35 bonds and federal national mortgage association notes, debentures and
36 guaranteed certificates of participation, or the obligations of any
37 other government sponsored corporation whose obligations are or may
38 become eligible as collateral for advances to member banks as
39 determined by the board of governors of the federal reserve system;

- 1 (4) Bankers' acceptances purchased on the secondary market;
- 2 (5) Commercial paper purchased on the secondary market, provided
3 that the state treasurer adheres to the investment policies and
4 procedures adopted by the state investment board;
- 5 (6) General obligation bonds of any state and general obligation
6 bonds of local governments of other states, which bonds have at the
7 time of investment one of the three highest credit ratings of a
8 nationally recognized rating agency; (~~and~~)
- 9 (7) Corporate notes purchased on the secondary market, provided
10 that the state treasurer adheres to the investment policies and
11 procedures adopted by the state investment board; and
- 12 (8) Contributions to a cooperative as defined in section 2 of
13 this act.

14 NEW SECTION. **Sec. 13.** If any provision of this act or its
15 application to any person or circumstance is held invalid, the
16 remainder of the act or the application of the provision to other
17 persons or circumstances is not affected.

18 NEW SECTION. **Sec. 14.** This act, being necessary for the welfare
19 of the state and its inhabitants, shall be liberally construed to
20 effect the purposes thereof.

21 NEW SECTION. **Sec. 15.** Sections 1 through 5 of this act
22 constitute a new chapter in Title 43 RCW.

23 NEW SECTION. **Sec. 16.** Section 9 of this act expires January 1,
24 2022.

25 NEW SECTION. **Sec. 17.** Section 10 of this act takes effect
26 January 1, 2022.

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