
SENATE BILL 5754

State of Washington

69th Legislature

2025 Regular Session

By Senators Hasegawa, Trudeau, Conway, Dhingra, Lovelett, Saldaña, Stanford, and C. Wilson

Read first time 02/14/25. Referred to Committee on Business, Financial Services & Trade.

1 AN ACT Relating to the creation of the Washington state public
2 bank; amending RCW 39.59.040, 42.56.270, 42.56.400, 43.10.067, and
3 43.84.080; adding a new section to chapter 43.08 RCW; adding a new
4 chapter to Title 43 RCW; and creating a new section.

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

6 NEW SECTION. **Sec. 1.** FINDINGS AND INTENT. The legislature finds
7 that Washington state needs to drastically increase our public
8 financing capacity without raising taxes on working families or
9 financial debt obligations of the state.

10 The legislature finds that the infrastructure needs of our state
11 far outstrip our ability to finance them under our current public
12 financing model, which relies heavily on bonding. This reliance on
13 bonding diverts much needed and hard-earned tax revenues of our
14 taxpayers from critical programs that benefit them and the state.

15 The legislature finds that public financing for public benefit is
16 a much better strategy than private financing for public benefit and
17 that most of the developed world uses public banks to finance public
18 initiatives. Publicly owned banking is a much more efficient model
19 for public financing and is proven and used around the world. The
20 United States is more an anomaly than the norm in depending on
21 private banking and investments to finance public initiatives.

1 The legislature further finds that there exists one public
2 financing model in the United States, which is the Bank of North
3 Dakota. The Bank of North Dakota is the only public depository
4 banking model in the United States that is owned by the people of the
5 state and has existed for over 100 years, overcoming tremendous
6 opposition efforts by the banking industry and financiers to squash
7 it. It regularly reports record annual profits for the people of the
8 state of North Dakota, who are very proud of their public institution
9 because it benefits their economy and supports economic development,
10 supports local community banks, provides access to capital for small
11 businesses and farmers, aids the state in times of disasters, can
12 lower borrowing costs, streamlines government, creates profits for
13 the people, and is generally recognized as a tremendous asset for the
14 state.

15 The legislature finds that our state has many revolving loan
16 accounts that do good work, but they are limited in the sense that
17 they can only lend as much money as is in the account and can only
18 lend more money after the accounts have been repaid. Examples of
19 these accounts are the public works assistance account, accounts for
20 the community economic revitalization board, the transportation
21 infrastructure bank (which is not a depository bank), and more. These
22 accounts would be able to lend well beyond their current appropriated
23 capacity when powered by a publicly owned depository bank where the
24 deposits allow leveraging of the bank's core capital capacity.

25 The legislature finds that, based on a 2023 report, Moody's
26 calculates that Washington state has the fifth highest level of debt
27 service as a percentage of general fund revenues amongst all states.

28 Senate Bill No. 5194 (2025), this year's capital budget bond
29 bill, proposes issuing \$5 billion of bonds this biennium to finance
30 our capital budget. To do a general calculation of the total cost of
31 \$5 billion in bonds over 20 years, the bond's face value, \$5 billion,
32 would need to be multiplied by the total interest accrued over the
33 term of the bonds, 20 years, which depends on the interest rate of
34 the bond. The 20-year treasury bond issued on January 31, 2025, had a
35 rate of 4.625 percent.

36 The legislature finds that bond costs including fees can double
37 the costs of financing or more, depending on the interest rates at
38 the time of issuance. For example, if a \$5 billion bond had a five
39 percent annual interest rate maturing in 20 years, the total cost of
40 the \$5 billion bond to the state's general fund would be \$10 billion.

1 The interest per year would be \$5 billion multiplied by five percent,
2 which equals \$250 million. The total cost would be \$5 billion, the
3 bond principal, plus \$5 billion, the total interest, which equals \$10
4 billion. Similarly, the total cost of the same \$5 billion bonds over
5 30 years is: \$5 billion, the principal, plus \$7.5 billion, the
6 interest, equals \$12.5 billion.

7 The legislature finds that creating a state-owned depository bank
8 and, for example, keeping \$500 million in reserves in the publicly
9 owned bank would safely leverage out to provide the same \$5 billion
10 in financing capacity necessary to fund the capital budget without
11 the need for a Senate Bill No. 5194-type bond bill. A state-owned
12 depository bank would help meet our infrastructure financing needs
13 without raising taxes or increasing debt obligation of the state's
14 general fund, allowing the general fund to be fully used for the
15 benefit of the people rather than providing profits for Wall Street
16 investors.

17 The legislature finds that fractional reserve banking is standard
18 banking practice in the United States and around the world. It is a
19 banking system where banks keep a portion of deposits on reserve and
20 lend the rest. This system allows banks to create loans and expand
21 the economy. While the United States has no specific reserve
22 requirement, a 10 percent reserve is standard banking practice and
23 considered safe under standard banking regulations and practices and
24 given other forms of access to liquidity. In other words, \$1 billion
25 held in reserves in a publicly owned depository bank and leveraged
26 with our tax revenue as deposits would provide \$10 billion in loan
27 capacity and would generate profits for the people of the state
28 through interest rate of return on the \$10 billion as loans. This
29 would amount to a tenfold increase in the infrastructure financing
30 capacity of the original \$1 billion, stimulate our economy, and
31 create jobs, while simultaneously lowering borrowing costs and still
32 making a profit for the people of the state.

33 For example, if a revolving loan account of \$1 billion lends all
34 \$1 billion at five percent interest, the account makes \$50 million in
35 interest. However, that same \$1 billion held in any commercial
36 depository bank charging five percent interest can leverage those
37 same funds up to 10 times and makes profits for shareholders of \$500
38 million. A publicly owned depository bank can charge whatever lower
39 interest rate it chooses, for example two percent, or it can charge
40 zero percent for some smaller loans financing the most emergent needs

1 and supported by the legislature, and still make money for the
2 people. \$1 billion multiplied by two percent and 10, the leverage,
3 equals a \$200 million profit for the people, and the low interest
4 loans it makes to the state and local governments go back into
5 Washington's local economies, fund needed programs in our state, and
6 create jobs rather than profits for large banks, bond brokers, and
7 investment firms.

8 The legislature finds that the state and political subdivisions
9 already hold billions of dollars in reserves and accounts, which can
10 be held in the publicly owned depository bank and can be used either
11 as equity capital or general deposits in a depository account.

12 The legislature finds that, through a state publicly owned bank,
13 the state could borrow from itself at rates the state decides, and
14 repay the state, thereby growing the state's capacity to finance more
15 infrastructure while also making profits for the people of the state,
16 not for Wall Street investors. A state-owned bank would allow the
17 state to keep tax revenues in the state and working for the state
18 instead of exporting tax revenues as an engine for profits to Wall
19 Street investors.

20 The legislature finds that banks use deposits to leverage the
21 capital that owners have used to create the bank, known as equity
22 capital. A fundamental standard banking practice is that banks can
23 use their deposits to leverage the lending capacity of their equity
24 capital up to tenfold, which is accepted throughout the banking
25 industry as safe and standard banking practice.

26 The legislature finds that by creating a bank, which is owned by
27 the people of the state of Washington, and using it as the depository
28 for taxes paid by the people of the state instead of using Wall
29 Street banks, the state of Washington could recapture the power of
30 our tax dollars for the benefit of the state and drastically increase
31 our public financing capacity by an order of magnitude and at lower
32 costs without raising taxes or increasing state debt.

33 The legislature intends to create a depository bank, owned and
34 operated for the beneficial interests of the people of the state of
35 Washington. The state shall, and political subdivisions may, use this
36 publicly owned bank as the primary depository institution for tax
37 revenue and other funds currently held at large financial
38 institutions. The state and political subdivisions are not prohibited
39 from holding some deposits in local community banks, credit unions,

1 or other financial institutions when it serves the best interests of
2 the people.

3 The legislature intends for the state treasurer to transfer as
4 much of the state's general fund and concentration account into the
5 publicly owned depository bank as is deemed necessary and prudent by
6 the board to facilitate the growth of the bank with the goal of
7 eventually transferring all state moneys currently held in deposit at
8 large Wall Street banks.

9 The legislature further intends for this public depository bank
10 to follow best banking and prudent management practices with
11 appropriate levels of transparency, accountability, integrity, and
12 oversight by the appropriate financial industry regulatory
13 institutions. The legislature further intends for the board to ensure
14 the long-term financial success of the bank as a foundational
15 facility for future generations of Washingtonians to address the
16 needs of their time, which are impossible to predict now other than
17 to recognize the state will need resources to achieve the state's
18 goals, which this bank will provide.

19 The legislature further intends for this public depository bank
20 to provide adequate financing capacity and access to capital for
21 local governments in the state to finance infrastructure, support
22 educational, housing, transportation, health care, and economic
23 development, and other unmet infrastructure and banking and lending
24 needs of local governments, the state, and the people, and, to the
25 greatest extent possible, reduce costs of borrowed money to taxpayers
26 and residents of the state. The legislature further intends for the
27 best interests of the people to be the paramount duty of the publicly
28 owned depository bank.

29 NEW SECTION. **Sec. 2.** This act may be known and cited as the
30 public banking for public benefit act.

31 NEW SECTION. **Sec. 3.** DEFINITIONS. The definitions in this
32 section apply throughout this chapter unless the context clearly
33 requires otherwise.

34 (1) "Board" means the operating board of the public bank
35 established in section 4 of this act.

36 (2) "Bonds" means any bonds, notes, debentures, interim
37 certificates, conditional sales or lease financing agreements, lines
38 of credit, forward purchase agreements, investment agreements, and

1 other banking or financial arrangements, guaranties, or other
2 obligations issued by or entered into by the public bank, which does
3 not create state debt. Such bonds may be issued on either a tax-
4 exempt or taxable basis.

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

6 (4) "Financial assistance" means the infusion of capital to a
7 borrower for use in the planning, acquisition, construction, repair,
8 replacement, rehabilitation, development, and expansion of
9 infrastructure and economic development projects.

10 (5) "Financing agreements" means, and includes without
11 limitation, a contractual arrangement with a borrower whereby the
12 public bank obtains rights from a borrower in exchange for the
13 granting of financial assistance to the borrower.

14 (6) "Financing document" means an instrument executed by the
15 public bank and one or more borrowers pertaining to the issuance of
16 or security for bonds, or the application of the proceeds of bonds or
17 other funds of, or payable to, the public bank. A "financing
18 document" may include, but need not be limited to, a lease,
19 installment sale agreement, conditional sale agreement, mortgage,
20 loan agreement, trust agreement or indenture, security agreement,
21 letter or line of credit, reimbursement agreement, insurance policy,
22 guaranty agreement, or currency or interest rate swap agreement. A
23 "financing document" also may be an agreement between the public bank
24 and an eligible banking organization which has agreed to make a loan
25 to a borrower.

26 (7) "Infrastructure project" means undertakings for the planning,
27 acquisition, construction, repair, replacement, rehabilitation, or
28 improvement of streets and roads, bridges, water systems, storm and
29 sanitary sewage systems, solid waste handling, pollution control
30 facilities, schools, communications systems, docks and wharves, mass
31 transportation facilities and equipment, public housing, fire
32 suppressing and emergency services equipment and facilities, energy
33 generating, conservation, or transmission facilities, and other
34 public infrastructure deemed eligible by the board.

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

38 (9) "Member" means the state government, a local government, or a
39 tribal government that has joined the public bank consistent with
40 section 5 of this act.

1 (10) "Project costs" means costs of:

2 (a) Acquisition, lease, construction, reconstruction, remodeling,
3 refurbishing, rehabilitation, extension, and enlargement of land,
4 rights to land, buildings, structures, docks, wharves, fixtures,
5 machinery, equipment, excavations, paving, landscaping, utilities,
6 approaches, roadways and parking, handling and storage areas, and
7 similar ancillary facilities, and any other real or personal property
8 included in an infrastructure project;

9 (b) Architectural, engineering, consulting, accounting, and legal
10 costs related directly to the development, financing, acquisition,
11 lease, construction, reconstruction, remodeling, refurbishing,
12 rehabilitation, extension, and enlargement of an infrastructure
13 project, including costs of studies assessing the feasibility of an
14 infrastructure project;

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

18 (d) Start-up costs, working capital, capitalized research and
19 development costs, capitalized interest during construction and
20 during the 18 months after estimated completion of construction, and
21 capitalized debt service or repair and replacement or other
22 appropriate reserves;

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

25 (f) Other costs incidental to any of the costs listed in this
26 subsection.

27 (11) "Public bank" means the Washington state public bank
28 established in section 4 of this act, or any board, body, commission,
29 department, or officer succeeding to the principal functions of the
30 public bank or to whom the powers conferred upon the public bank are
31 given by law.

32 (12) "State" means the state of Washington and any department,
33 agency, or instrumentality thereof other than the public bank.

34 (13) "Tribal government" means the governing body of a federally
35 recognized Indian tribe.

36 NEW SECTION. **Sec. 4.** ESTABLISHMENT. (1) The Washington state
37 public bank is established as a public body corporate and politic,
38 with perpetual corporate succession, constituting an instrumentality
39 of the state of Washington exercising essential governmental

1 functions. The public bank is a public body as defined in RCW
2 39.53.010.

3 (2) (a) The public bank is activated when:

4 (i) An appropriation that is sufficient to capitalize the public
5 bank so that it can issue debt with a competitive rating is provided.
6 This appropriation may be from either state funds or federal funds,
7 or from any combination of both. The state treasurer shall provide
8 sufficient funding to capitalize the public bank; and

9 (ii) Executed articles of activation in a form approved by the
10 state finance committee are filed with the secretary of state.

11 (b) The public bank is deemed to have been formed as of the date
12 of filing articles of activation under (a)(ii) of this subsection.
13 The articles of activation must be approved by the legislative
14 authority of each of the member local or tribal governments that
15 subsequently becomes a member. Each member local or tribal government
16 must provide to the public bank a contribution of an amount approved
17 by the state finance committee, and the board may subsequently adjust
18 the minimum contribution level for current and new members. Any
19 amendments to the articles of activation must be filed with the
20 secretary of state and become effective on the date of filing.

21 (3) The state treasurer shall transfer as much of the state's
22 general fund and concentration account into the public bank as is
23 deemed necessary and prudent by the board to facilitate the growth of
24 the bank with the goal of eventually transferring all state moneys
25 currently held in deposit at large Wall Street banks.

26 (4) A duplicate of the original articles of activation and
27 amended articles of activation must be filed with the department of
28 financial institutions. The filing of amended articles of activation
29 must include the text of each amendment adopted and the date of its
30 adoption. The public bank must also file the following with the
31 department of financial institutions:

32 (a) The address of the location of the main office of the public
33 bank;

34 (b) The names and places of residence of the persons who are
35 directors under this section;

36 (c) The name and place of residence of the executive director
37 hired by the board in accordance with this section;

38 (d) Bylaws and regulations adopted and amended by the board under
39 section 5 of this act; and

1 (e) Any other information the director of the department of
2 financial institutions deems necessary to perform a review of the
3 funds placed with the public bank and the accounts and transactions
4 of the public bank in carrying out the public bank's duties, as
5 provided in this section.

6 (5) (a) The operating board of the public bank consists of nine
7 directors. Terms of directors are four years, with half of the
8 initial directors other than the initial chair serving two-year terms
9 as determined by lot, with those positions being filled for four-year
10 terms thereafter.

11 (b) Five member appointed directors must be selected by a
12 majority of the members of the public bank. Member appointed
13 directors must be elected local or tribal government officials. Three
14 public directors must be appointed by the governor and confirmed by
15 the senate. The public directors must be residents of the state
16 appointed by the governor on the basis of their interest and
17 expertise in finance, accounting, budgeting, economic development,
18 infrastructure planning, design, construction, or project management.
19 The state treasurer shall serve as an ex officio director.

20 (c) One of the public members shall be appointed by the governor
21 as chair of the board and shall serve as chair at the pleasure of the
22 governor. The initial chair must serve a full four-year term. The
23 public bank may select from its membership such other officers of the
24 public bank as it deems appropriate, including without limitation a
25 secretary and a treasurer.

26 (d) In the event of a vacancy on the board due to death,
27 resignation, lack of qualification to serve as a director, or
28 otherwise, a successor for the remainder of the unexpired term shall
29 be selected in the same manner as the selection of the director whose
30 position has become vacant. Any independent member of the public bank
31 may be removed by the governor for misfeasance, malfeasance, or
32 willful neglect of duty after notice and a public hearing, unless
33 such notice and hearing are expressly waived in writing by the
34 affected public member.

35 (e) The state treasurer may designate an employee to act on the
36 treasurer's behalf in all respects with regard to any matter to come
37 before the public bank. The designation must be made in writing in
38 such manner as is specified by the rules of the public bank.

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

1 (g) The directors of the public bank serve without compensation
2 but are entitled to reimbursement, solely from the funds of the
3 public bank, for expenses incurred in the discharge of their duties
4 under this chapter.

5 (6) The state finance committee serves as the oversight board of
6 the public bank. In that capacity, the state finance committee must
7 carry out the responsibilities specified in this chapter. In
8 addition, the state finance committee may at its discretion require
9 independent audits of the accounts and transactions of the public
10 bank and the methods, procedures, and operation of the public bank in
11 carrying out its duties.

12 (7) The public bank is a state agency subject to audit by the
13 state auditor under chapter 43.09 RCW. In addition, the department of
14 financial institutions may, at the discretion of the director of
15 financial institutions, review the funds placed with the public bank
16 and the accounts and transactions of the public bank in carrying out
17 the public bank's duties. Nothing in this subsection establishes that
18 the public bank is an institution or entity otherwise subject to the
19 jurisdiction of the department of financial institutions.

20 (8) The board has the authority to hire and fire an executive
21 director. The executive director must be funded in the office of the
22 state treasurer budget and shall administer and operate the
23 Washington state public bank.

24 (9) The public bank's administration and operation must initially
25 be performed by employees of the office of the state treasurer,
26 subject to the terms of one or more agreements between the public
27 bank and the office of the state treasurer concerning
28 responsibilities of the office of the state treasurer's staff and
29 compensation of the office of the state treasurer.

30 (10) The board must approve the budget of the public bank
31 annually.

32 (11) The board shall establish an internal audit committee.

33 (12) The public bank shall prioritize investments that increases
34 the supply of public housing.

35 (13) The public bank must not be or constitute a bank or trust
36 company within the jurisdiction or under the control of the director
37 of financial institutions, the comptroller of the currency of the
38 United States of America, or the United States department of the
39 treasury.

1 (14) The public bank must not be or constitute a bank, broker, or
2 dealer in securities within the meaning of, or subject to the
3 provisions of, any securities, securities exchange, or securities
4 dealers' law of the United States of America or this state.

5 (15) The public bank may not issue bonds in a manner that would
6 create state debt.

7 NEW SECTION. **Sec. 5.** POWERS. The public bank may:

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

9 (2) Adopt and alter an official seal;

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

12 (4) Engage such independent consultants, attorneys, and advisers
13 as the public bank deems necessary, useful, or convenient to
14 accomplish its purposes, and, subject to section 6 of this act,
15 contract with federal, state, and local or tribal governmental
16 entities for services;

17 (5) Make and execute all manner of contracts, agreements, and
18 instruments and financing documents with public and private parties
19 as the public bank deems necessary, useful, or convenient to
20 accomplish its purposes;

21 (6) Acquire, hold, use, and dispose of real or personal property,
22 or any interest therein, in the name of the public bank, and to sell,
23 assign, lease, encumber, mortgage, or otherwise dispose of the same
24 in such manner as the public bank deems necessary, useful, or
25 convenient to accomplish its purposes;

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

28 (8) Receive funds or deposits from state, local, or tribal
29 governments, invest those moneys in lawful funds, including without
30 limitation investments in loans made by the public bank to borrowers;

31 (9) Open and maintain accounts in qualified public depositories;
32 in the federal reserve bank of San Francisco, in the national
33 cooperative bank, in a federal home loan bank, or in any other
34 federal financing entity, and otherwise provide for the investment of
35 any funds not required for immediate disbursement and provide for the
36 selection of investments. The public bank may participate in and use
37 the federal reserve banks payments systems and account services;

1 (10) Appear in its own behalf before boards, commissions,
2 departments, or agencies of federal, state, local, or tribal
3 governments;

4 (11) Procure such insurance of such types, in such amounts, and
5 from such insurers as the public bank deems desirable including, but
6 not limited to, insurance against any loss or damage to its property
7 or other assets, public liability insurance for injuries to persons
8 or property, and directors and officers liability insurance;

9 (12) Accept gifts or grants from the United States, or from any
10 governmental unit or person, firm, or corporation, carry out the
11 terms or provisions or make agreements with respect to the gifts or
12 grants, and do all things necessary, useful, desirable, or convenient
13 in connection with procuring, accepting, or disposing of the gifts or
14 grants;

15 (13) Apply for and accept grants, loans, advances, and
16 contributions from any source of money, property, labor, or other
17 things of value, to be held, used, and applied as the public bank
18 deems necessary, useful, or convenient to accomplish its purposes;

19 (14) Borrow money and issue its bonds consistent with this
20 chapter and provide for and secure their payment, provide for the
21 rights of bond owners and purchasers, and hold and dispose of any of
22 its bonds;

23 (15) For the purpose of facilitating the financing of
24 infrastructure and economic development activity in the state of
25 Washington by the state or local or tribal governments, develop and
26 conduct a program or programs to make loans to borrowers for project
27 costs of infrastructure and economic development projects. Those
28 loans may be made from the proceeds of bonds issued by the public
29 bank, from funds held by the public bank, and from other assets of
30 the public bank including contributions. The public bank may develop
31 and conduct a program that stimulates and encourages the development
32 of infrastructure and economic development projects by the infusion
33 of financial assistance for state, local, or tribal governments;

34 (16) Establish guidelines for the engagement by state, local, or
35 tribal governments in programs conducted by the public bank under
36 this chapter. The public bank may prescribe the form of application
37 or procedure required of a borrower for a loan, fix the terms and
38 conditions of the loan or purchase, and enter into financing
39 agreements and other financing documents with borrowers with respect
40 to loans and other forms of financial assistance;

1 (17) Establish, revise, and collect such member contributions and
2 such fees and charges as the public bank deems necessary, useful, or
3 convenient to accomplish its purposes. Members may make such
4 contributions, and state, local, and tribal governments may pay such
5 fees and charges;

6 (18) Make such expenditures as are appropriate for paying the
7 administrative costs and expenses of the public bank in carrying out
8 the provisions of this chapter;

9 (19) Establish such reserves and special funds, including but not
10 limited to debt service and sinking funds, reserve funds, project
11 funds, and such other special funds as the public bank deems
12 necessary, useful, or convenient, and controls on funds to and from
13 them, as the public bank deems necessary, useful, or convenient to
14 accomplish its purposes;

15 (20) Provide financial assistance and other forms of assistance
16 to state, local, or tribal governments by providing information,
17 advice, guidelines, forms, and procedures for implementing their
18 financing programs;

19 (21) When authorized by not less than two-thirds of the members
20 of the board, make distributions to members of amounts that the board
21 deems surplus to the needs of the public bank;

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

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

26 (24) Exercise any other power the public bank deems necessary,
27 useful, or convenient to accomplish its purposes and exercise the
28 powers expressly granted in this chapter.

29 NEW SECTION. **Sec. 6.** FINANCING POWERS. (1) Bonds issued under
30 this chapter must be issued in the name of the public bank. The bonds
31 are not obligations of the state of Washington, may not create state
32 debt, and are obligations only of the public bank payable from the
33 special fund or funds created by the public bank for their payment.
34 Such funds are not public moneys or funds of the state of Washington
35 and at all times must be kept segregated and set apart from other
36 funds.

37 (2) Bonds issued under this chapter must contain a recital on
38 their face to the effect that payment of the principal of, interest
39 on, and prepayment premium, if any, on the bonds, is a valid claim

1 only as against the special fund or funds relating thereto, that
2 neither the faith and credit nor the taxing power of the state or any
3 municipal corporation, subdivision, or agency of the state, other
4 than the public bank as set forth in this chapter, is pledged to the
5 payment of the principal of, interest on, and prepayment premium, if
6 any, on the bonds. Contracts entered into by the public bank must be
7 entered into in the name of the public bank and not in the name of
8 the state of Washington. The obligations of the public bank under the
9 contracts must be obligations only of the public bank and are not in
10 any way obligations of the state of Washington.

11 (3) The public bank's bonds must bear such date or dates, mature
12 at such time or times, be in such denominations, be in such form, be
13 registered or registrable in such manner, be made transferable,
14 exchangeable, and interchangeable, be payable in such medium of
15 payment, at such place or places, be subject to such terms of
16 redemption, bear such fixed or variable rate or rates of interest, be
17 payable at such time or times, and be sold in such manner and at such
18 price or prices, as the public bank determines. The bonds must be
19 executed by the chair, by either its duly elected secretary or its
20 treasurer, and by the trustee or paying agent if the public bank
21 determines to use a trustee or paying agent for the bonds. Execution
22 of the bonds may be by manual or facsimile signature. The bonds of
23 the public bank may be negotiable instruments under Title 62A RCW.

24 (4) The bonds of the public bank are subject to such terms,
25 conditions, covenants, and protective provisions as are found
26 necessary or desirable by the public bank including, but not limited
27 to, pledges of the public bank's assets, setting aside of reserves,
28 limitations on additional forms of indebtedness, and the mortgaging
29 of all or any part of the public bank's real or personal property,
30 then owned or thereafter acquired, and other provisions the public
31 bank finds are necessary or desirable for the security of bond
32 owners.

33 (5) Any bonds issued under this chapter may be secured by a
34 financing document between the public bank and the purchasers or
35 owners of such bonds or between the public bank and a corporate
36 trustee appointed by the public bank, which may be any trust company
37 or bank having the powers of a trust company within or without the
38 state. The financing document may pledge or assign, in whole or in
39 part, the revenues and funds held or to be received by the public
40 bank, any present or future contract or other rights to receive the

1 same, and the proceeds thereof. The financing document must contain
2 such provisions for protecting and enforcing the rights, security,
3 and remedies of bond owners as may be reasonable and proper
4 including, without limiting the generality of the foregoing,
5 provisions defining defaults and providing for remedies in the event
6 of default which may include the acceleration of maturities,
7 restrictions on the individual rights of action by bond owners, and
8 covenants setting forth duties of and limitations on the public bank
9 in conduct of its programs and the management of its property. In
10 addition to other security provided in this chapter or otherwise by
11 law, bonds issued by the public bank may be secured, in whole or in
12 part, by a pledge of the assets of the public bank, including
13 contributions of the members, or by financial guaranties, insurance
14 or letters of credit issued to the public bank or a trustee or any
15 other person, by any bank, trust company, insurance or surety
16 company, or other financial institution, within or without the state.
17 The public bank may pledge or assign, in whole or in part, the
18 revenues and funds held or to be received by the public bank, any
19 present or future contract or other rights to receive the same, and
20 the proceeds thereof, as security for such guaranties or insurance or
21 for the reimbursement by the public bank to any issuer of such letter
22 of credit of any payments made under such letter of credit. No
23 individual member is liable to the public bank, to the public bank's
24 trustee, or to any other person in amounts exceeding the member's
25 contribution unless authorized by a majority of the members of the
26 public bank.

27 (6) The public bank may enter into financing documents with
28 borrowers regarding bonds issued by the public bank that may provide
29 for the payment by each borrower of amounts sufficient, together with
30 other revenues available to the public bank, if any, to:

31 (a) Pay the borrower's share of the fees established by the
32 public bank;

33 (b) Pay the principal of, premium, if any, and interest on
34 outstanding bonds of the public bank issued in respect of such
35 borrower as the same shall become due and payable; and

36 (c) Create and maintain reserves required or provided for by the
37 public bank in connection with the issuance of such bonds. The
38 payments are not subject to supervision or regulation by any
39 department, committee, board, body, bureau, or agency of the state
40 other than the public bank.

1 (7) Any security interest created in the unexpended bond proceeds
2 and in the special funds created by the public bank must be
3 immediately valid and binding against such moneys and any securities
4 in which such moneys may be invested without public bank or trustee
5 possession thereof, and the security interest is prior to any party
6 having any competing claim in such moneys or securities, without
7 filing or recording pursuant to chapter 62A.9A RCW and regardless of
8 whether the party has notice of the security interest.

9 (8) When issuing bonds, the public bank may provide for the
10 future issuance of additional bonds or parity debt on a parity with
11 outstanding bonds, and the terms and conditions of their issuance.
12 The public bank may refund or advance refund any bond of the public
13 bank in accordance with chapter 39.53 RCW or issue bonds with a
14 subordinate lien against the fund or funds securing outstanding
15 bonds. Bonds issued for refunding purposes may be combined with bonds
16 issued for the financing or refinancing of new projects. Pending the
17 application of the proceeds of the refunding bonds to the redemption
18 of the bonds to be redeemed, the public bank may enter into an
19 agreement or agreements with a corporate trustee regarding the
20 interim investment of the proceeds and the application of the
21 proceeds and the earnings on the proceeds to the payment of the
22 principal of and interest on, and the redemption of, the bonds to be
23 redeemed.

24 (9) All money received by or on behalf of the public bank with
25 respect to this issuance of its bonds are trust funds to be held and
26 applied solely as provided in this chapter. The public bank, instead
27 of receiving and applying the moneys itself, may enter into a trust
28 agreement or indenture with one or more banks, including the national
29 cooperative bank, or trust companies having the power and bank to
30 conduct trust business in the state to:

31 (a) Perform all or any part of the obligations of the public bank
32 with respect to: (i) Bonds issued by it; (ii) the receipt,
33 investment, and application of the proceeds of the bonds and money
34 paid by a participant or available from other sources for the payment
35 of the bonds; (iii) the enforcement of the obligations of a borrower
36 in connection with the financing or refinancing of any project; and
37 (iv) other matters relating to the exercise of the public bank's
38 powers under this chapter;

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

4 (c) Act on behalf of the public bank or the owners of bonds of
5 the public bank for purposes of assuring or enforcing the payment of
6 the bonds, when due.

7 (10) The public bank may purchase its bonds with any of its funds
8 available for the purchase. The public bank may hold, pledge, cancel,
9 or resell the bonds subject to and in accordance with agreements with
10 bond owners.

11 (11) The chair of the state finance committee or the chair's
12 designee must be notified in advance of the issuance of bonds by the
13 public bank in order to promote the orderly offering of obligations
14 in the financial markets.

15 (12) Neither the members of the public bank, nor its directors or
16 agents, nor employees of the office of the state treasurer, nor any
17 person executing the bonds, is personally liable on the bonds or
18 subject to any personal liability or accountability by reason of the
19 issuance of the bonds.

20 (13) The public bank may, out of any fund available therefor,
21 purchase its bonds in the open market.

22 (14) Any owner of bonds of the public bank issued under this
23 chapter, and the trustee under any trust agreement or indenture, may,
24 either at law or in equity, by suit, action, mandamus, or other
25 proceeding, protect and enforce any of their respective rights, and
26 may become the purchaser at any foreclosure sale if the person is the
27 highest bidder, except to the extent the rights given are restricted
28 by the public bank in any bond resolution or trust agreement or
29 indenture authorizing the issuance of the bonds.

30 (15) The public bank may charge for its costs and services in
31 review or consideration of a proposed loan to a state, local, or
32 tribal government, whether or not the loan is made.

33 (16) To the extent permitted under its contracts with the owners
34 of bonds of the public bank, the public bank may consent to
35 modification of the rate of interest, time and payment of installment
36 of principal or interest, security, or any other term of a bond or
37 note, loan to a state, local, or tribal government, contract, or
38 agreement of any kind to which the public bank authority is a party.

39 (17) The bonds of the public bank are securities in which all
40 public officers and bodies of this state and all counties, cities,

1 municipal corporations, and political subdivisions, all banks,
2 eligible banking organizations, bankers, trust companies, savings
3 banks and institutions, building and loan associations, savings and
4 loan associations, investment companies, insurance companies and
5 associations, and all executors, administrators, guardians, trustees,
6 and other fiduciaries may legally invest any sinking funds, moneys,
7 or other funds belonging to them or within their control.

8 (18) This section provides a complete, additional, and
9 alternative method for accomplishing the purposes of this chapter and
10 is supplemental and additional to powers conferred by other laws. The
11 issuance of bonds and refunding bonds under this chapter need not
12 comply with the requirements of any other law applicable to the
13 issuance of bonds. Insofar as the provisions of this chapter are
14 inconsistent with the provisions of any general or special law, or
15 parts thereof, the provisions of this chapter are controlling.

16 NEW SECTION. **Sec. 7.** A new section is added to chapter 43.08
17 RCW to read as follows:

18 Employees of the office of the state treasurer shall primarily
19 administer and operate the Washington state public bank, as provided
20 by section 4(9) of this act. The public bank may consult with other
21 state agencies at its discretion and without the approval of the
22 office of the state treasurer.

23 **Sec. 8.** RCW 39.59.040 and 2016 c 152 s 11 are each amended to
24 read as follows:

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

26 (1) Bonds of the state of Washington and any local government in
27 the state of Washington;

28 (2) General obligation bonds of a state and general obligation
29 bonds of a local government of a state, which bonds have at the time
30 of investment one of the three highest credit ratings of a nationally
31 recognized rating agency;

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

35 (4) Certificates, notes, or bonds of the United States, or other
36 obligations of the United States or its agencies, or of any
37 corporation wholly owned by the government of the United States; or
38 United States dollar denominated bonds, notes, or other obligations

1 that are issued or guaranteed by supranational institutions, provided
2 that, at the time of investment, the institution has the United
3 States government as its largest shareholder;

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

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

11 (7) Commercial paper purchased in the secondary market, provided
12 that any local government of the state of Washington that invests in
13 such commercial paper must adhere to the investment policies and
14 procedures adopted by the state investment board; (~~and~~)

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

19 (9) A public bank as defined in section 3 of this act and bonds
20 issued by such public bank.

21 **Sec. 9.** RCW 42.56.270 and 2023 c 340 s 11 are each amended to
22 read as follows:

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

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

29 (2) Financial information supplied by or on behalf of a person,
30 firm, or corporation for the purpose of qualifying to submit a bid or
31 proposal for (a) a ferry system construction or repair contract as
32 required by RCW 47.60.680 through 47.60.750; (b) highway construction
33 or improvement as required by RCW 47.28.070; or (c) alternative
34 public works contracting procedures as required by RCW 39.10.200
35 through 39.10.905;

36 (3) Financial and commercial information and records supplied by
37 private persons pertaining to export services provided under chapters
38 43.163 and 53.31 RCW, and by persons pertaining to export projects
39 under RCW 43.23.035;

1 (4) Financial and commercial information and records supplied by
2 businesses or individuals during application for loans or program
3 services provided by chapters 43.325, 43.163, 43.160, 43.330, 43.---
4 (the new chapter created in section 15 of this act), 43.168, and
5 43.181 RCW and RCW 43.155.160, or during application for economic
6 development loans or program services provided by any local agency;

7 (5) Financial information, business plans, examination reports,
8 and any information produced or obtained in evaluating or examining a
9 business and industrial development corporation organized or seeking
10 certification under chapter 31.24 RCW;

11 (6) Financial and commercial information supplied to the state
12 investment board by any person when the information relates to the
13 investment of public trust or retirement funds and when disclosure
14 would result in loss to such funds or in private loss to the
15 providers of this information;

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

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

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

24 (10)(a) Financial information, including but not limited to
25 account numbers and values, and other identification numbers supplied
26 by or on behalf of a person, firm, corporation, limited liability
27 company, partnership, or other entity related to an application for a
28 horse racing license submitted pursuant to RCW 67.16.260(1)(b),
29 cannabis producer, processor, or retailer license, liquor license,
30 gambling license, or lottery retail license;

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

36 (c) Valuable formulae or financial or proprietary commercial
37 information records received during a consultative visit or while
38 providing consultative services to a licensed cannabis business in
39 accordance with RCW 69.50.561;

1 (11) Proprietary data, trade secrets, or other information that
2 relates to: (a) A vendor's unique methods of conducting business; (b)
3 data unique to the product or services of the vendor; or (c)
4 determining prices or rates to be charged for services, submitted by
5 any vendor to the department of social and health services or the
6 health care authority for purposes of the development, acquisition,
7 or implementation of state purchased health care as defined in RCW
8 41.05.011;

9 (12)(a) When supplied to and in the records of the department of
10 commerce:

11 (i) Financial and proprietary information collected from any
12 person and provided to the department of commerce pursuant to RCW
13 43.330.050(8);

14 (ii) Financial or proprietary information collected from any
15 person and provided to the department of commerce or the office of
16 the governor in connection with the siting, recruitment, expansion,
17 retention, or relocation of that person's business and until a siting
18 decision is made, identifying information of any person supplying
19 information under this subsection and the locations being considered
20 for siting, relocation, or expansion of a business; and

21 (iii) Financial or proprietary information collected from any
22 person and provided to the department of commerce pursuant to RCW
23 43.31.625 (3)(b) and (4);

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

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

29 (d) If there is no written contact for a period of 60 days to the
30 department of commerce from a person connected with siting,
31 recruitment, expansion, retention, or relocation of that person's
32 business, information described in (a)(ii) of this subsection will be
33 available to the public under this chapter;

34 (13) Financial and proprietary information submitted to or
35 obtained by the department of ecology or the authority created under
36 chapter 70A.500 RCW to implement chapter 70A.500 RCW;

37 (14) Financial, commercial, operations, and technical and
38 research information and data submitted to or obtained by the life
39 sciences discovery fund authority in applications for, or delivery
40 of, grants under RCW 43.330.502, to the extent that such information,

1 if revealed, would reasonably be expected to result in private loss
2 to the providers of this information;

3 (15) Financial and commercial information provided as evidence to
4 the department of licensing as required by RCW 19.112.110 or
5 19.112.120, except information disclosed in aggregate form that does
6 not permit the identification of information related to individual
7 fuel licensees;

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

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

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

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

24 (19) Information gathered under chapter 19.85 RCW or RCW
25 34.05.328 that can be identified to a particular business;

26 (20) Financial and commercial information submitted to or
27 obtained by the University of Washington, other than information the
28 university is required to disclose under RCW 28B.20.150, when the
29 information relates to investments in private funds, to the extent
30 that such information, if revealed, would reasonably be expected to
31 result in loss to the University of Washington consolidated endowment
32 fund or to result in private loss to the providers of this
33 information;

34 (21) Market share data submitted by a manufacturer under RCW
35 70A.500.190(4);

36 (22) Financial information supplied to the department of
37 financial institutions, when filed by or on behalf of an issuer of
38 securities for the purpose of obtaining the exemption from state
39 securities registration for small securities offerings provided under

1 RCW 21.20.880 or when filed by or on behalf of an investor for the
2 purpose of purchasing such securities;

3 (23) Unaggregated or individual notices of a transfer of crude
4 oil that is financial, proprietary, or commercial information,
5 submitted to the department of ecology pursuant to RCW
6 90.56.565(1)(a), and that is in the possession of the department of
7 ecology or any entity with which the department of ecology has shared
8 the notice pursuant to RCW 90.56.565;

9 (24) Financial institution and retirement account information,
10 and building security plan information, supplied to the liquor and
11 cannabis board pursuant to RCW 69.50.325, 69.50.331, 69.50.342, and
12 69.50.345, when filed by or on behalf of a licensee or prospective
13 licensee for the purpose of obtaining, maintaining, or renewing a
14 license to produce, process, transport, or sell cannabis as allowed
15 under chapter 69.50 RCW;

16 (25) Cannabis transport information, vehicle and driver
17 identification data, and account numbers or unique access identifiers
18 issued to private entities for traceability system access, submitted
19 by an individual or business to the liquor and cannabis board under
20 the requirements of RCW 69.50.325, 69.50.331, 69.50.342, and
21 69.50.345 for the purpose of cannabis product traceability.
22 Disclosure to local, state, and federal officials is not considered
23 public disclosure for purposes of this section;

24 (26) Financial and commercial information submitted to or
25 obtained by the retirement board of any city that is responsible for
26 the management of an employees' retirement system pursuant to the
27 authority of chapter 35.39 RCW, when the information relates to
28 investments in private funds, to the extent that such information, if
29 revealed, would reasonably be expected to result in loss to the
30 retirement fund or to result in private loss to the providers of this
31 information except that (a) the names and commitment amounts of the
32 private funds in which retirement funds are invested and (b) the
33 aggregate quarterly performance results for a retirement fund's
34 portfolio of investments in such funds are subject to disclosure;

35 (27) Proprietary financial, commercial, operations, and technical
36 and research information and data submitted to or obtained by the
37 liquor and cannabis board in applications for cannabis research
38 licenses under RCW 69.50.372, or in reports submitted by cannabis
39 research licensees in accordance with rules adopted by the liquor and
40 cannabis board under RCW 69.50.372;

1 (28) Trade secrets, technology, proprietary information, and
2 financial considerations contained in any agreements or contracts,
3 entered into by a licensed cannabis business under RCW 69.50.395,
4 which may be submitted to or obtained by the state liquor and
5 cannabis board;

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

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

14 (31) Records filed with the department of ecology under chapter
15 70A.515 RCW that a court has determined are confidential valuable
16 commercial information under RCW 70A.515.130; and

17 (32) Unaggregated financial, proprietary, or commercial
18 information submitted to or obtained by the liquor and cannabis board
19 in applications for licenses under RCW 66.24.140 or 66.24.145, or in
20 any reports or remittances submitted by a person licensed under RCW
21 66.24.140 or 66.24.145 under rules adopted by the liquor and cannabis
22 board under chapter 66.08 RCW.

23 **Sec. 10.** RCW 42.56.400 and 2023 c 149 s 12 are each amended to
24 read as follows:

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

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

30 (2) Information obtained and exempted or withheld from public
31 inspection by the health care authority under RCW 41.05.026, whether
32 retained by the authority, transferred to another state purchased
33 health care program by the authority, or transferred by the authority
34 to a technical review committee created to facilitate the
35 development, acquisition, or implementation of state purchased health
36 care under chapter 41.05 RCW;

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

1 (4) Information provided under RCW 48.30A.045 through 48.30A.060;
2 (5) Information provided under RCW 48.05.510 through 48.05.535,
3 48.43.200 through 48.43.225, 48.44.530 through 48.44.555, and
4 48.46.600 through 48.46.625;
5 (6) Examination reports and information obtained by the
6 department of financial institutions from banks under RCW 30A.04.075,
7 from savings banks under RCW 32.04.220, from savings and loan
8 associations under RCW 33.04.110, from credit unions under RCW
9 31.12.565, from chapter 43.--- RCW (the new chapter created in
10 section 15 of this act), from check cashers and sellers under RCW
11 31.45.030(3), and from securities brokers and investment advisers
12 under RCW 21.20.100, information that could reasonably be expected to
13 reveal the identity of a whistleblower under RCW 21.40.090, and
14 information received under RCW 43.320.190, all of which are
15 confidential and privileged information;
16 (7) Information provided to the insurance commissioner under RCW
17 48.110.040(3);
18 (8) Documents, materials, or information obtained by the
19 insurance commissioner under RCW 48.02.065, all of which are
20 confidential and privileged;
21 (9) Documents, materials, or information obtained or provided by
22 the insurance commissioner under RCW 48.31B.015(2) (l) and (m),
23 48.31B.025, 48.31B.030, 48.31B.035, and 48.31B.036, all of which are
24 confidential and privileged;
25 (10) Data filed under RCW 48.140.020, 48.140.030, 48.140.050, and
26 7.70.140 that, alone or in combination with any other data, may
27 reveal the identity of a claimant, health care provider, health care
28 facility, insuring entity, or self-insurer involved in a particular
29 claim or a collection of claims. For the purposes of this subsection:
30 (a) "Claimant" has the same meaning as in RCW 48.140.010(2).
31 (b) "Health care facility" has the same meaning as in RCW
32 48.140.010(6).
33 (c) "Health care provider" has the same meaning as in RCW
34 48.140.010(7).
35 (d) "Insuring entity" has the same meaning as in RCW
36 48.140.010(8).
37 (e) "Self-insurer" has the same meaning as in RCW 48.140.010(11);
38 (11) Documents, materials, or information obtained by the
39 insurance commissioner under RCW 48.135.060;

- 1 (12) Documents, materials, or information obtained by the
2 insurance commissioner under RCW 48.37.060;
- 3 (13) Confidential and privileged documents obtained or produced
4 by the insurance commissioner and identified in RCW 48.37.080;
- 5 (14) Documents, materials, or information obtained by the
6 insurance commissioner under RCW 48.37.140;
- 7 (15) Documents, materials, or information obtained by the
8 insurance commissioner under RCW 48.17.595;
- 9 (16) Documents, materials, or information obtained by the
10 insurance commissioner under RCW 48.102.051(1) and 48.102.140 (3) and
11 (7) (a) (ii);
- 12 (17) Documents, materials, or information obtained by the
13 insurance commissioner in the commissioner's capacity as receiver
14 under RCW 48.31.025 and 48.99.017, which are records under the
15 jurisdiction and control of the receivership court. The commissioner
16 is not required to search for, log, produce, or otherwise comply with
17 the public records act for any records that the commissioner obtains
18 under chapters 48.31 and 48.99 RCW in the commissioner's capacity as
19 a receiver, except as directed by the receivership court;
- 20 (18) Documents, materials, or information obtained by the
21 insurance commissioner under RCW 48.13.151;
- 22 (19) Data, information, and documents provided by a carrier
23 pursuant to section 1, chapter 172, Laws of 2010;
- 24 (20) Information in a filing of usage-based insurance about the
25 usage-based component of the rate pursuant to RCW 48.19.040(5)(b);
- 26 (21) Data, information, and documents that are submitted to the
27 office of the insurance commissioner by an entity providing health
28 care coverage pursuant to RCW 28A.400.275;
- 29 (22) Data, information, and documents obtained by the insurance
30 commissioner under RCW 48.29.017;
- 31 (23) Information not subject to public inspection or public
32 disclosure under RCW 48.43.730(5);
- 33 (24) Documents, materials, or information obtained by the
34 insurance commissioner under chapter 48.05A RCW;
- 35 (25) Documents, materials, or information obtained by the
36 insurance commissioner under RCW 48.74.025, 48.74.028, 48.74.100(6),
37 48.74.110(2) (b) and (c), and 48.74.120 to the extent such documents,
38 materials, or information independently qualify for exemption from
39 disclosure as documents, materials, or information in possession of

1 the commissioner pursuant to a financial conduct examination and
2 exempt from disclosure under RCW 48.02.065;

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

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

8 (28) Documents, materials, or other information, including the
9 corporate annual disclosure obtained by the insurance commissioner
10 under RCW 48.195.020;

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

13 (30) All claims data, including health care and financial related
14 data received under RCW 41.05.890, received and held by the health
15 care authority; and

16 (31) Contracts not subject to public disclosure under RCW
17 48.200.040 and 48.43.731.

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

20 No officer, director, administrative agency, board, or commission
21 of the state, other than the attorney general, shall employ, appoint
22 or retain in employment any attorney for any administrative body,
23 department, commission, agency, or tribunal or any other person to
24 act as attorney in any legal or quasi legal capacity in the exercise
25 of any of the powers or performance of any of the duties specified by
26 law to be performed by the attorney general, except where it is
27 provided by law to be the duty of the judge of any court or the
28 prosecuting attorney of any county to employ or appoint such persons:
29 PROVIDED, That RCW 43.10.040, and 43.10.065 through 43.10.080 shall
30 not apply to the administration of the commission on judicial
31 conduct, the state law library, the law school of the state
32 university, the administration of the state bar act by the Washington
33 State Bar Association, (~~(or)~~) the representation of an estate
34 administered by the director of the department of revenue or the
35 director's designee pursuant to chapter 11.28 RCW, or the state
36 public bank to the extent provided in section 5(22) of this act.

37 The authority granted by chapter 1.08 RCW, RCW 44.28.065, and
38 47.01.061 shall not be affected hereby.

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

3 Wherever there is in any fund or in cash balances in the state
4 treasury more than sufficient to meet the current expenditures
5 properly payable therefrom, the state treasurer may invest or
6 reinvest such portion of such funds or balances as the state
7 treasurer deems expedient in the following:

8 (1) Certificates, notes, or bonds of the United States, or other
9 obligations of the United States or its agencies, or of any
10 corporation wholly owned by the government of the United States or
11 United States dollar denominated bonds, notes, or other obligations
12 that are issued or guaranteed by supranational institutions, provided
13 that, at the time of investment, the institution has the United
14 States government as its largest shareholder;

15 (2) In state, county, municipal, or school district bonds, notes,
16 or in warrants of taxing districts of the state. Such bonds and
17 warrants shall be only those found to be within the limit of
18 indebtedness prescribed by law for the taxing district issuing them
19 and to be general obligations. The state treasurer may purchase such
20 bonds or warrants directly from the taxing district or in the open
21 market at such prices and upon such terms as it may determine, and
22 may sell them at such times as it deems advisable;

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

29 (4) Bankers' acceptances purchased on the secondary market;

30 (5) Commercial paper purchased on the secondary market, provided
31 that the state treasurer adheres to the investment policies and
32 procedures adopted by the state investment board;

33 (6) General obligation bonds of any state and general obligation
34 bonds of local governments of other states, which bonds have at the
35 time of investment one of the three highest credit ratings of a
36 nationally recognized rating agency; (~~and~~)

37 (7) Corporate notes purchased on the secondary market, provided
38 that the state treasurer adheres to the investment policies and
39 procedures adopted by the state investment board; and

1 (8) Contributions to a public bank as defined in section 3 of
2 this act.

3 NEW SECTION. **Sec. 13.** If any provision of this act or its
4 application to any person or circumstance is held invalid, the
5 remainder of the act or the application of the provision to other
6 persons or circumstances is not affected.

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

10 NEW SECTION. **Sec. 15.** Sections 1 through 6 of this act
11 constitute a new chapter in Title 43 RCW.

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