
SENATE BILL 5509

State of Washington

68th Legislature

2023 Regular Session

By Senators Kuderer and Lovelett

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

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

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

19 It is the policy of the state of Washington to encourage self-
20 reliance by local and tribal governments in meeting their public
21 works and economic development needs, and to assist in the financing

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

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

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

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

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

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

38 (1) "Board" means the operating board of the infrastructure bank
39 established in section 3 of this act.

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

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

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

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

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

29 (7) "Infrastructure bank" means the Washington state public
30 infrastructure bank established in section 3 of this act, or any
31 board, body, commission, department, or officer succeeding to the
32 principal functions of the infrastructure bank or to whom the powers
33 conferred upon the infrastructure bank are given by law.

34 (8) "Infrastructure projects" means undertakings for the
35 planning, acquisition, construction, repair, replacement,
36 rehabilitation, or improvement of streets and roads, bridges, water
37 systems, storm and sanitary sewage systems, solid waste handling,
38 pollution control facilities, schools, communications systems, docks
39 and wharves, mass transportation facilities and equipment, public
40 housing, fire suppressing and emergency services equipment and

1 facilities, energy generating, conservation, or transmission
2 facilities, and other public infrastructure deemed eligible by the
3 board.

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

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

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

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

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

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

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

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

34 (f) Other costs incidental to any of the costs listed in this
35 subsection.

36 (12) "State" means the state of Washington and any department,
37 agency, or instrumentality thereof other than the infrastructure
38 bank.

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

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

7 (2)(a) The infrastructure bank is activated when:

8 (i) An appropriation that is sufficient to capitalize the
9 infrastructure bank so that it can issue debt with a competitive
10 rating is provided. This appropriation may be from either state funds
11 or federal funds, or from any combination of both; and

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

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

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

31 (a) The address of the location of the main office of the
32 infrastructure bank;

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

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

37 (d) Bylaws and regulations adopted and amended by the board under
38 section 4 of this act; and

39 (e) Any other information the director of the department of
40 financial institutions deems necessary to perform a review of the

1 funds placed with the infrastructure bank and the accounts and
2 transactions of the infrastructure bank in carrying out the
3 infrastructure bank's duties, as provided in this section.

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

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

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

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

33 (e) The state treasurer may designate an employee to act on his
34 or her behalf in all respects with regard to any matter to come
35 before the infrastructure bank. Such designation must be made in
36 writing in such manner as is specified by the rules of the
37 infrastructure bank.

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

39 (g) The directors of the infrastructure bank serve without
40 compensation but are entitled to reimbursement, solely from the funds

1 of the infrastructure bank, for expenses incurred in the discharge of
2 their duties under this chapter.

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

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

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

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

29 (9) The board must approve the budget of the infrastructure bank
30 annually.

31 (10) The board shall establish an internal audit committee.

32 (11) The infrastructure bank shall have a goal of providing 35
33 percent of the amount it lends on an annual basis to support housing
34 in low to moderate-income areas, beginning five years after the
35 infrastructure bank has been activated as provided in this section.

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

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

5 (14) The infrastructure bank is not a public depository for any
6 purpose under chapter 39.58 RCW.

7 (15) The infrastructure bank may not issue bonds in a manner that
8 would create state debt.

9 NEW SECTION. **Sec. 4.** POWERS. The infrastructure bank is
10 authorized to:

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

12 (2) Adopt and alter an official seal;

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

15 (4) Engage such independent consultants, attorneys, and advisers
16 as the infrastructure bank deems necessary, useful, or convenient to
17 accomplish its purposes, and, subject to section 5(6) of this act,
18 contract with federal, state, and local or tribal governmental
19 entities for services;

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

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

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

31 (8) Receive funds from state, local, or tribal governments,
32 invest those moneys in lawful funds, including without limitation
33 investments in loans made by the infrastructure bank to borrowers;

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

1 and use the federal reserve banks payments systems and account
2 services;

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

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

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

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

23 (14) Borrow money and issue its bonds consistent with this
24 chapter and provide for and secure their payment, provide for the
25 rights of bond owners and purchasers, and hold and dispose of any of
26 its bonds;

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

39 (16) Establish guidelines for the engagement by state, local, or
40 tribal governments in programs conducted by the infrastructure bank

1 under this chapter. The infrastructure bank may prescribe the form of
2 application or procedure required of a borrower for a loan, fix the
3 terms and conditions of the loan or purchase, and enter into
4 financing agreements and other financing documents with borrowers
5 with respect to loans and other forms of financial assistance;

6 (17) Establish, revise, and collect such member contributions and
7 such fees and charges as the infrastructure bank deems necessary,
8 useful, or convenient to accomplish its purposes. Members are
9 authorized to make such contributions, and state, local, and tribal
10 governments are authorized to pay such fees and charges;

11 (18) Make such expenditures as are appropriate for paying the
12 administrative costs and expenses of the infrastructure bank in
13 carrying out the provisions of this chapter;

14 (19) Establish such reserves and special funds, including but not
15 limited to debt service and sinking funds, reserve funds, project
16 funds, and such other special funds as the infrastructure bank deems
17 necessary, useful, or convenient, and controls on funds to and from
18 them, as the infrastructure bank deems necessary, useful, or
19 convenient to accomplish its purposes;

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

24 (21) When authorized by not less than two-thirds of the members
25 of the board, make distributions to members of amounts that the board
26 deems surplus to the needs of the infrastructure bank;

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

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

31 (24) Exercise any other power the infrastructure bank deems
32 necessary, useful, or convenient to accomplish its purposes and
33 exercise the powers expressly granted in this chapter.

34 NEW SECTION. **Sec. 5.** FINANCING POWERS. (1) Bonds issued under
35 this chapter must be issued in the name of the infrastructure bank.
36 The bonds are not obligations of the state of Washington, may not
37 create state debt, and are obligations only of the infrastructure
38 bank payable from the special fund or funds created by the
39 infrastructure bank for their payment. Such funds are not public

1 moneys or funds of the state of Washington and at all times must be
2 kept segregated and set apart from other funds.

3 (2) Bonds issued under this chapter must contain a recital on
4 their face to the effect that payment of the principal of, interest
5 on, and prepayment premium, if any, on the bonds, is a valid claim
6 only as against the special fund or funds relating thereto, that
7 neither the faith and credit nor the taxing power of the state or any
8 municipal corporation, subdivision, or agency of the state, other
9 than the infrastructure bank as set forth in this chapter, is pledged
10 to the payment of the principal of, interest on, and prepayment
11 premium, if any, on the bonds. Contracts entered into by the
12 infrastructure bank must be entered into in the name of the
13 infrastructure bank and not in the name of the state of Washington.
14 The obligations of the infrastructure bank under the contracts must
15 be obligations only of the infrastructure bank and are not in any way
16 obligations of the state of Washington.

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

31 (4) The bonds of the infrastructure bank are subject to such
32 terms, conditions, covenants, and protective provisions as are found
33 necessary or desirable by the infrastructure bank including, but not
34 limited to, pledges of the infrastructure bank's assets, setting
35 aside of reserves, limitations on additional forms of indebtedness,
36 and the mortgaging of all or any part of the infrastructure bank's
37 real or personal property, then owned or thereafter acquired, and
38 other provisions the infrastructure bank finds are necessary or
39 desirable for the security of bond owners.

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

36 (6) The infrastructure bank may enter into financing documents
37 with borrowers regarding bonds issued by the infrastructure bank that
38 may provide for the payment by each borrower of amounts sufficient,
39 together with other revenues available to the infrastructure bank, if
40 any, to:

1 (a) Pay the borrower's share of the fees established by the
2 infrastructure bank;

3 (b) Pay the principal of, premium, if any, and interest on
4 outstanding bonds of the infrastructure bank issued in respect of
5 such borrower as the same shall become due and payable; and

6 (c) Create and maintain reserves required or provided for by the
7 infrastructure bank in connection with the issuance of such bonds.
8 The payments are not subject to supervision or regulation by any
9 department, committee, board, body, bureau, or agency of the state
10 other than the infrastructure bank.

11 (7) Any security interest created in the unexpended bond proceeds
12 and in the special funds created by the infrastructure bank must be
13 immediately valid and binding against such moneys and any securities
14 in which such moneys may be invested without infrastructure bank or
15 trustee possession thereof, and the security interest is prior to any
16 party having any competing claim in such moneys or securities,
17 without filing or recording pursuant to chapter 62A.9A RCW and
18 regardless of whether the party has notice of the security interest.

19 (8) When issuing bonds, the infrastructure bank may provide for
20 the future issuance of additional bonds or parity debt on a parity
21 with outstanding bonds, and the terms and conditions of their
22 issuance. The infrastructure bank may refund or advance refund any
23 bond of the infrastructure bank in accordance with chapter 39.53 RCW
24 or issue bonds with a subordinate lien against the fund or funds
25 securing outstanding bonds. Bonds issued for refunding purposes may
26 be combined with bonds issued for the financing or refinancing of new
27 projects. Pending the application of the proceeds of the refunding
28 bonds to the redemption of the bonds to be redeemed, the
29 infrastructure bank may enter into an agreement or agreements with a
30 corporate trustee regarding the interim investment of the proceeds
31 and the application of the proceeds and the earnings on the proceeds
32 to the payment of the principal of and interest on, and the
33 redemption of, the bonds to be redeemed.

34 (9) All money received by or on behalf of the infrastructure bank
35 with respect to this issuance of its bonds are trust funds to be held
36 and applied solely as provided in this chapter. The infrastructure
37 bank, in lieu of receiving and applying the moneys itself, may enter
38 into a trust agreement or indenture with one or more banks, including
39 the national cooperative bank, or trust companies having the power
40 and bank to conduct trust business in the state to:

1 (a) Perform all or any part of the obligations of the
2 infrastructure bank with respect to: (i) Bonds issued by it; (ii) the
3 receipt, investment, and application of the proceeds of the bonds and
4 money paid by a participant or available from other sources for the
5 payment of the bonds; (iii) the enforcement of the obligations of a
6 borrower in connection with the financing or refinancing of any
7 project; and (iv) other matters relating to the exercise of the
8 infrastructure bank's powers under this chapter;

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

12 (c) Act on behalf of the infrastructure bank or the owners of
13 bonds of the infrastructure bank for purposes of assuring or
14 enforcing the payment of the bonds, when due.

15 (10) The infrastructure bank may purchase its bonds with any of
16 its funds available for the purchase. The infrastructure bank may
17 hold, pledge, cancel, or resell the bonds subject to and in
18 accordance with agreements with bond owners.

19 (11) The chair of the state finance committee or the chair's
20 designee must be notified in advance of the issuance of bonds by the
21 infrastructure bank in order to promote the orderly offering of
22 obligations in the financial markets.

23 (12) Neither the members of the infrastructure bank, nor its
24 directors or agents, nor employees of the office of the state
25 treasurer, nor any person executing the bonds, is personally liable
26 on the bonds or subject to any personal liability or accountability
27 by reason of the issuance of the bonds.

28 (13) The infrastructure bank may, out of any fund available
29 therefor, purchase its bonds in the open market.

30 (14) Any owner of bonds of the infrastructure bank issued under
31 this chapter, and the trustee under any trust agreement or indenture,
32 may, either at law or in equity, by suit, action, mandamus, or other
33 proceeding, protect and enforce any of their respective rights, and
34 may become the purchaser at any foreclosure sale if the person is the
35 highest bidder, except to the extent the rights given are restricted
36 by the infrastructure bank in any bond resolution or trust agreement
37 or indenture authorizing the issuance of the bonds.

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

1 (16) To the extent permitted under its contracts with the owners
2 of bonds of the infrastructure bank, the infrastructure bank may
3 consent to modification of the rate of interest, time and payment of
4 installment of principal or interest, security, or any other term of
5 a bond or note, loan to a state, local, or tribal government,
6 contract, or agreement of any kind to which the infrastructure bank
7 authority is a party.

8 (17) The bonds of the infrastructure bank are securities in which
9 all public officers and bodies of this state and all counties,
10 cities, municipal corporations, and political subdivisions, all
11 banks, eligible banking organizations, bankers, trust companies,
12 savings banks and institutions, building and loan associations,
13 savings and loan associations, investment companies, insurance
14 companies and associations, and all executors, administrators,
15 guardians, trustees, and other fiduciaries may legally invest any
16 sinking funds, moneys, or other funds belonging to them or within
17 their control.

18 (18) This section provides a complete, additional, and
19 alternative method for accomplishing the purposes of this chapter and
20 shall be regarded as supplemental and additional to powers conferred
21 by other laws. The issuance of bonds and refunding bonds under this
22 chapter need not comply with the requirements of any other law
23 applicable to the issuance of bonds. Insofar as the provisions of
24 this chapter are inconsistent with the provisions of any general or
25 special law, or parts thereof, the provisions of this chapter are
26 controlling.

27 NEW SECTION. **Sec. 6.** A new section is added to chapter 43.08
28 RCW to read as follows:

29 Employees of the office of the state treasurer shall primarily
30 administer and operate the Washington state public infrastructure
31 bank, as provided by section 3(8) of this act. The infrastructure
32 bank may consult with other state agencies at its discretion and
33 without the approval of the office of the state treasurer.

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

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

37 (1) Bonds of the state of Washington and any local government in
38 the state of Washington;

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

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

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

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

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

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

30 (9) An infrastructure bank as defined in section 2 of this act
31 and bonds issued by such infrastructure bank.

32 **Sec. 8.** RCW 42.56.270 and 2022 c 201 s 2 and 2022 c 16 s 28 are
33 each reenacted and amended to read as follows:

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

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

1 (2) Financial information supplied by or on behalf of a person,
2 firm, or corporation for the purpose of qualifying to submit a bid or
3 proposal for (a) a ferry system construction or repair contract as
4 required by RCW 47.60.680 through 47.60.750; (b) highway construction
5 or improvement as required by RCW 47.28.070; or (c) alternative
6 public works contracting procedures as required by RCW 39.10.200
7 through 39.10.905;

8 (3) Financial and commercial information and records supplied by
9 private persons pertaining to export services provided under chapters
10 43.163 and 53.31 RCW, and by persons pertaining to export projects
11 under RCW 43.23.035;

12 (4) Financial and commercial information and records supplied by
13 businesses or individuals during application for loans or program
14 services provided by chapters 43.325, 43.163, 43.160, 43.330, 43.---
15 (the new chapter created in section 14 of this act), and 43.168 RCW
16 and RCW 43.155.160, or during application for economic development
17 loans or program services provided by any local agency;

18 (5) Financial information, business plans, examination reports,
19 and any information produced or obtained in evaluating or examining a
20 business and industrial development corporation organized or seeking
21 certification under chapter 31.24 RCW;

22 (6) Financial and commercial information supplied to the state
23 investment board by any person when the information relates to the
24 investment of public trust or retirement funds and when disclosure
25 would result in loss to such funds or in private loss to the
26 providers of this information;

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

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

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

35 (10)(a) Financial information, including but not limited to
36 account numbers and values, and other identification numbers supplied
37 by or on behalf of a person, firm, corporation, limited liability
38 company, partnership, or other entity related to an application for a
39 horse racing license submitted pursuant to RCW 67.16.260(1)(b),

1 cannabis producer, processor, or retailer license, liquor license,
2 gambling license, or lottery retail license;

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

8 (c) Valuable formulae or financial or proprietary commercial
9 information records received during a consultative visit or while
10 providing consultative services to a licensed cannabis business in
11 accordance with RCW 69.50.561;

12 (11) Proprietary data, trade secrets, or other information that
13 relates to: (a) A vendor's unique methods of conducting business; (b)
14 data unique to the product or services of the vendor; or (c)
15 determining prices or rates to be charged for services, submitted by
16 any vendor to the department of social and health services or the
17 health care authority for purposes of the development, acquisition,
18 or implementation of state purchased health care as defined in RCW
19 41.05.011;

20 (12)(a) When supplied to and in the records of the department of
21 commerce:

22 (i) Financial and proprietary information collected from any
23 person and provided to the department of commerce pursuant to RCW
24 43.330.050(8);

25 (ii) Financial or proprietary information collected from any
26 person and provided to the department of commerce or the office of
27 the governor in connection with the siting, recruitment, expansion,
28 retention, or relocation of that person's business and until a siting
29 decision is made, identifying information of any person supplying
30 information under this subsection and the locations being considered
31 for siting, relocation, or expansion of a business; and

32 (iii) Financial or proprietary information collected from any
33 person and provided to the department of commerce pursuant to RCW
34 43.31.625 (3)(b) and (4);

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

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

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

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

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

15 (15) Financial and commercial information provided as evidence to
16 the department of licensing as required by RCW 19.112.110 or
17 19.112.120, except information disclosed in aggregate form that does
18 not permit the identification of information related to individual
19 fuel licensees;

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

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

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

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

36 (19) Information gathered under chapter 19.85 RCW or RCW
37 34.05.328 that can be identified to a particular business;

38 (20) Financial and commercial information submitted to or
39 obtained by the University of Washington, other than information the
40 university is required to disclose under RCW 28B.20.150, when the

1 information relates to investments in private funds, to the extent
2 that such information, if revealed, would reasonably be expected to
3 result in loss to the University of Washington consolidated endowment
4 fund or to result in private loss to the providers of this
5 information;

6 (21) Market share data submitted by a manufacturer under RCW
7 70A.500.190(4);

8 (22) Financial information supplied to the department of
9 financial institutions, when filed by or on behalf of an issuer of
10 securities for the purpose of obtaining the exemption from state
11 securities registration for small securities offerings provided under
12 RCW 21.20.880 or when filed by or on behalf of an investor for the
13 purpose of purchasing such securities;

14 (23) Unaggregated or individual notices of a transfer of crude
15 oil that is financial, proprietary, or commercial information,
16 submitted to the department of ecology pursuant to RCW
17 90.56.565(1)(a), and that is in the possession of the department of
18 ecology or any entity with which the department of ecology has shared
19 the notice pursuant to RCW 90.56.565;

20 (24) Financial institution and retirement account information,
21 and building security plan information, supplied to the liquor and
22 cannabis board pursuant to RCW 69.50.325, 69.50.331, 69.50.342, and
23 69.50.345, when filed by or on behalf of a licensee or prospective
24 licensee for the purpose of obtaining, maintaining, or renewing a
25 license to produce, process, transport, or sell cannabis as allowed
26 under chapter 69.50 RCW;

27 (25) Cannabis transport information, vehicle and driver
28 identification data, and account numbers or unique access identifiers
29 issued to private entities for traceability system access, submitted
30 by an individual or business to the liquor and cannabis board under
31 the requirements of RCW 69.50.325, 69.50.331, 69.50.342, and
32 69.50.345 for the purpose of cannabis product traceability.
33 Disclosure to local, state, and federal officials is not considered
34 public disclosure for purposes of this section;

35 (26) Financial and commercial information submitted to or
36 obtained by the retirement board of any city that is responsible for
37 the management of an employees' retirement system pursuant to the
38 authority of chapter 35.39 RCW, when the information relates to
39 investments in private funds, to the extent that such information, if
40 revealed, would reasonably be expected to result in loss to the

1 retirement fund or to result in private loss to the providers of this
2 information except that (a) the names and commitment amounts of the
3 private funds in which retirement funds are invested and (b) the
4 aggregate quarterly performance results for a retirement fund's
5 portfolio of investments in such funds are subject to disclosure;

6 (27) Proprietary financial, commercial, operations, and technical
7 and research information and data submitted to or obtained by the
8 liquor and cannabis board in applications for cannabis research
9 licenses under RCW 69.50.372, or in reports submitted by cannabis
10 research licensees in accordance with rules adopted by the liquor and
11 cannabis board under RCW 69.50.372;

12 (28) Trade secrets, technology, proprietary information, and
13 financial considerations contained in any agreements or contracts,
14 entered into by a licensed cannabis business under RCW 69.50.395,
15 which may be submitted to or obtained by the state liquor and
16 cannabis board;

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

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

25 (31) Records filed with the department of ecology under chapter
26 70A.515 RCW that a court has determined are confidential valuable
27 commercial information under RCW 70A.515.130; and

28 (32) Unaggregated financial, proprietary, or commercial
29 information submitted to or obtained by the liquor and cannabis board
30 in applications for licenses under RCW 66.24.140 or 66.24.145, or in
31 any reports or remittances submitted by a person licensed under RCW
32 66.24.140 or 66.24.145 under rules adopted by the liquor and cannabis
33 board under chapter 66.08 RCW.

34 **Sec. 9.** RCW 42.56.400 and 2022 c 8 s 2 are each amended to read
35 as follows:

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

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

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

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

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

15 (5) Information provided under RCW 48.05.510 through 48.05.535,
16 48.43.200 through 48.43.225, 48.44.530 through 48.44.555, and
17 48.46.600 through 48.46.625;

18 (6) Examination reports and information obtained by the
19 department of financial institutions from banks under RCW 30A.04.075,
20 from savings banks under RCW 32.04.220, from savings and loan
21 associations under RCW 33.04.110, from credit unions under RCW
22 31.12.565, from chapter 43.--- RCW (the new chapter created in
23 section 14 of this act), from check cashers and sellers under RCW
24 31.45.030(3), and from securities brokers and investment advisers
25 under RCW 21.20.100, and information received under RCW 43.320.190,
26 all of which are confidential and privileged information;

27 (7) Information provided to the insurance commissioner under RCW
28 48.110.040(3);

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

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

36 (10) Data filed under RCW 48.140.020, 48.140.030, 48.140.050, and
37 7.70.140 that, alone or in combination with any other data, may
38 reveal the identity of a claimant, health care provider, health care
39 facility, insuring entity, or self-insurer involved in a particular
40 claim or a collection of claims. For the purposes of this subsection:

- 1 (a) "Claimant" has the same meaning as in RCW 48.140.010(2).
- 2 (b) "Health care facility" has the same meaning as in RCW
3 48.140.010(6).
- 4 (c) "Health care provider" has the same meaning as in RCW
5 48.140.010(7).
- 6 (d) "Insuring entity" has the same meaning as in RCW
7 48.140.010(8).
- 8 (e) "Self-insurer" has the same meaning as in RCW 48.140.010(11);
- 9 (11) Documents, materials, or information obtained by the
10 insurance commissioner under RCW 48.135.060;
- 11 (12) Documents, materials, or information obtained by the
12 insurance commissioner under RCW 48.37.060;
- 13 (13) Confidential and privileged documents obtained or produced
14 by the insurance commissioner and identified in RCW 48.37.080;
- 15 (14) Documents, materials, or information obtained by the
16 insurance commissioner under RCW 48.37.140;
- 17 (15) Documents, materials, or information obtained by the
18 insurance commissioner under RCW 48.17.595;
- 19 (16) Documents, materials, or information obtained by the
20 insurance commissioner under RCW 48.102.051(1) and 48.102.140 (3) and
21 (7)(a)(ii);
- 22 (17) Documents, materials, or information obtained by the
23 insurance commissioner in the commissioner's capacity as receiver
24 under RCW 48.31.025 and 48.99.017, which are records under the
25 jurisdiction and control of the receivership court. The commissioner
26 is not required to search for, log, produce, or otherwise comply with
27 the public records act for any records that the commissioner obtains
28 under chapters 48.31 and 48.99 RCW in the commissioner's capacity as
29 a receiver, except as directed by the receivership court;
- 30 (18) Documents, materials, or information obtained by the
31 insurance commissioner under RCW 48.13.151;
- 32 (19) Data, information, and documents provided by a carrier
33 pursuant to section 1, chapter 172, Laws of 2010;
- 34 (20) Information in a filing of usage-based insurance about the
35 usage-based component of the rate pursuant to RCW 48.19.040(5)(b);
- 36 (21) Data, information, and documents that are submitted to the
37 office of the insurance commissioner by an entity providing health
38 care coverage pursuant to RCW 28A.400.275;
- 39 (22) Data, information, and documents obtained by the insurance
40 commissioner under RCW 48.29.017;

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

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

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

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

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

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

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

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

25 (31) Contracts not subject to public disclosure under RCW
26 48.200.040 and 48.43.731.

27 **Sec. 10.** RCW 43.10.067 and 1997 c 41 s 9 are each amended to
28 read as follows:

29 No officer, director, administrative agency, board, or commission
30 of the state, other than the attorney general, shall employ, appoint
31 or retain in employment any attorney for any administrative body,
32 department, commission, agency, or tribunal or any other person to
33 act as attorney in any legal or quasi legal capacity in the exercise
34 of any of the powers or performance of any of the duties specified by
35 law to be performed by the attorney general, except where it is
36 provided by law to be the duty of the judge of any court or the
37 prosecuting attorney of any county to employ or appoint such persons:
38 PROVIDED, That RCW 43.10.040, and 43.10.065 through 43.10.080 shall
39 not apply to the administration of the commission on judicial

1 conduct, the state law library, the law school of the state
2 university, the administration of the state bar act by the Washington
3 State Bar Association, ((~~or~~)) the representation of an estate
4 administered by the director of the department of revenue or the
5 director's designee pursuant to chapter 11.28 RCW, or the state
6 public infrastructure bank to the extent provided in section 4(22) of
7 this act.

8 The authority granted by chapter 1.08 RCW, RCW 44.28.065, and
9 47.01.061 shall not be affected hereby.

10 **Sec. 11.** RCW 43.84.080 and 2016 c 152 s 18 are each amended to
11 read as follows:

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

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

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

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

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

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

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

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

11 (8) Contributions to an infrastructure bank as defined in section
12 2 of this act.

13 NEW SECTION. **Sec. 12.** If any provision of this act or its
14 application to any person or circumstance is held invalid, the
15 remainder of the act or the application of the provision to other
16 persons or circumstances is not affected.

17 NEW SECTION. **Sec. 13.** This act, being necessary for the welfare
18 of the state and its inhabitants, shall be liberally construed to
19 effect the purposes thereof.

20 NEW SECTION. **Sec. 14.** Sections 1 through 5 of this act
21 constitute a new chapter in Title 43 RCW.

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