RatingsDirect®

Washington; Appropriations; General Obligation

Primary Credit Analyst:
Gabriel J Petek, CFA, San Francisco (1) 415-371-5042; gabriel.petek@standardandpoors.com

Secondary Contact:
David G Hitchcock, New York (1) 212-438-2022; david.hitchcock@standardandpoors.com

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Credit Profile		
US$532.94 mil various purp GO bnds ser 2014A due 08/01/2038		
Long Term Rating	AA+/Stable	New
US$275.125 mil motor vehicle fuel tax GO bnds ser 2014B due 08/01/2038		
Long Term Rating	AA+/Stable	New
US$55.725 mil GO bnds (taxable) ser 2014T due 08/01/2018		
Long Term Rating	AA+/Stable	New
Washington GO		
Long Term Rating	AA+/Stable	Affirmed
Washington GO & mtr veh fuel tax (MBIA/National)		
Unenhanced Rating	AA+(SPUR)/Stable	Affirmed

Rationale

Standard & Poor's Ratings Services assigned its 'AA+' long-term rating to the state of Washington's:

- $532.94 million various purpose general obligation (GO) bonds, series 2014A;
- $275.125 million motor vehicle fuel tax (MVFT) GO bonds, series 2014B; and
- $55.73 million GO bonds, series 2014T (taxable).

At the same time, we affirmed our 'AA+' long-term rating and underlying rating (SPUR) on the state's existing GO and MVFT GO debt. The outlook on all long-term ratings and SPURs is stable. Finally, we also affirmed our 'AA' rating on the state's appropriation-backed debt.

The ratings reflect our view of the state's:

- Relatively well-educated workforce and good income indicators;
- Sales tax-based revenue structure that exhibits sensitivity to economic cycles but to a lesser degree than those of states that rely primarily on personal and corporate income taxes;
- Good internal access to sources of liquidity;
- Strong financial policies and practices, including new statutory provisions requiring that the state's biennial budget and projected subsequent two fiscal years' spending plans be balanced; and
- Moderately high per capita debt burden but well-funded pension plans.

The state's full faith, credit, and taxing powers secure the new GO bonds. The state's MVFT GO bonds are first payable from state excise taxes on motor vehicle and special fuels. We understand that the series 2014A bonds are being issued to finance various capital and outdoor recreation, habitat conservation, and farmland preservation projects in the state, among others. Proceeds from the series 2014B bonds will be directed toward state and local highway improvements. These include replacement of the SR99 Alaskan Way Viaduct with a bored tunnel, high occupancy vehicles in Pierce County, improvements to the I-90 at Snoqualmie Pass East, among others identified as transportation projects in the 2003 or 2005 omnibus transportation budgets.

The state will have a total of $18.7 billion of GO bonds outstanding after the current offering. Of this, $7.38 billion of the state's GO debt is payable first from state excise taxes on motor vehicle and special fuels or toll revenue from the Tacoma Narrows Bridge. The state also has $1.02 billion of certificate of participation (COP), appropriation-backed debt outstanding. Of this, $72.8 million is GO debt of various local agencies within the state and is a contingent obligation of the state government in the event of nonpayment by a local government agency.

What was initially a $900 million projected 2013-2015 budget shortfall grew to approximately $2.5 billion during Washington's legislative session. The original projected deficit resulted from growth in underlying program costs and some upward estimates to student enrollment and other caseloads. Another $1.6 billion of the projected deficit stemmed from some early education, health and human services program expansions, and -- most significantly -- higher funding for the state's public education system. The latter is due to a 2012 State Supreme Court ruling (McCleary vs. State of Washington), which found that the state is not funding its kindergarten through grade 12 (K-12) education system at its constitutionally required level. Disagreement emerged in the legislature over how to allocate approximately $1 billion in additional spending in the education budget and whether it should be supported with revenue increases or budget cuts elsewhere.

A standoff between the state house of representatives and senate emerged, and the budget went unresolved through both the regular legislative session and a subsequent special session. In a second special session, the legislature came to terms just prior to the start of the new fiscal year. Despite a contentious process, the final package included elements preferred by each side of the legislature that had become politically divided on how to close the projected fiscal gap. Total deficit solutions of almost $2.5 billion include spending cuts ($1.55 billion), new revenue from reforms to the estate tax and telecommunications taxes ($259 million), fund transfers and revenue redirection ($519 million), and deployment of $140 million of projected underspending.

And, even though lawmakers grappled with closing a projected deficit, the new budget nevertheless includes a $308.5 million appropriation to the state's budget stabilization fund, bringing the total balance to $577.2 million. In addition, the state estimates an ending general fund balance of $53.2 million by fiscal 2015. In total, the state's reserves would equal $630.3 million at the end of the biennium, equal to roughly 3.8% of fiscal 2015 expenditures. The state began the new budget biennium with total general fund reserves (on a budgetary basis) of $363.4 million, equal to 2.3% of fiscal 2013 spending.

Because of a 2012 statute, the legislature was required to enact a budget that the state projects to maintain balance through four fiscal years. We believe the provision encourages greater use of ongoing solutions to budget shortfalls. We only consider about 11% ($277 million) of the recently enacted deficit solutions to be nonrecurring.

In general, Washington's approach to financial management is strong, in our view, as reflected in our financial management assessment (FMA) and budget management scores. Well-established economic and revenue forecasting and increasingly refined debt management practices and oversight served the state's credit quality well during the recession and its aftermath. Forward-looking state policies facilitate budget practices we view as prudent, including minimal reliance on payment deferrals or other one-time responses to anticipated budget gaps.

As it has since 2000, Washington's economy is expanding at a faster clip than the nation. Since 2000, the state's real

GDP compound annual growth rate has been 1.91% compared with the U.S., which grew at 1.51%. More recently, the state's relative performance has been even better, with real GDP growth of 3.63% in 2012 versus the nation, which expanded at 2.46%. Looking ahead, according to the IHS Global Insight model, we project growth to accelerate from 2.4% in 2013 to 3.0% and 3.6% in 2014 and 2015, respectively. The state's Economic and Revenue Forecast Council (ERFC) similarly anticipates 3.0% real personal income growth in 2013 before picking up to 3.5% in 2015. (The ERFC June forecast calls for a flattening to 2.8% growth in 2014 thanks to an uptick in deflationary trends.) Personal income is getting a boost from strong employment trends in the high-wage software industry.

Overall, employment trends in the state have outpaced the nation. During the 12 months ending in May 2013, the state added 52,900 nonfarm jobs, representing a 1.85% increase. Nationally, nonfarm payrolls increased 1.64% during the same period. At this point, the state has recovered 142,100, or 71% of the total jobs lost, from the peak of March 2008 to the trough of February 2010 during the Great Recession.

Construction and real estate have helped support the state's recovery in recent months. New housing permits issued during the first quarter increased at an annualized rate of 83% compared to the fourth quarter of 2012. Stronger trends in housing have lifted construction sector employment, which was up 1.7% year-over-year as of May. Total construction employment peaked at 211,600 in June 2007 before falling 36% to 135,400 as of October 2011. However, both housing permits and construction employment remain well below pre-recession highs. Even after increasing 35%, the new housing permits issued in 2012 equal just 53% of the peak number issued in 2005. Similarly, since reaching bottom, construction employment has increased 5,100 jobs, restoring just 6.7% of the total 76,200 jobs lost during the downturn. Nevertheless, we view the stabilization and improvement as favorable since housing has been weighing on Washington's economic recovery as in other states.

For June 2013, the state treasury and treasurer's trust fund's month-end cash balance was $4.67 billion, well above the $4.3 billion balance at the same time in 2012. Average daily balances have also increased, at $4.3 billion in June 2013 versus $3.9 billion for the 12-months ending in June 2013. Investments are conservative in our view, with an average for the month of 49% of funds invested in U.S. Treasurys and agencies. Repurchase agreements, which are subject to a maximum term of 180 days, represent 22% of investments. In addition to the state's investment guidelines, state policies require that collateral in repurchase agreements for U.S. Treasury, agency, and money market instruments be priced at 102% of market value. Mortgage-backed repurchase agreements of more than seven days are subject to a higher, 105% requirement.

As of fiscal 2012, the state's direct tax-supported debt burden ($18.74 billion in GO and appropriation-backed bonds outstanding) is moderately high, in our opinion, at $2,743 per capita (based on U.S. Census 2011 state population of 6.83 million), 5.98% of total personal income (2012), and 4.99% of state gross domestic product (2012).

Unlike 18 other states in the U.S., Washington maintains a positive balance in its unemployment insurance fund -- $2.8 billion as of May 2013 -- sufficient to fund benefits for an estimated 14.4 months.

Based on the analytic factors we evaluate for states, on a scale of 1 (strongest) to 4, we have assigned Washington a composite score of '1.8'.

Outlook

The stable outlook reflects our view that the state's liquidity, financial trends, and strengthening economy point to an improving financial position. Coupled with the state's strong financial management policies and institutions, we see the state's credit rating as stable through the outlook period. Moreover, we believe the favorable trajectory of these factors helps offset risks from the state's acrimonious budget development process for the 2013-2015 biennium. By failing to reach a budget accord until the final days of the previous biennium, state officials were forced to draw up contingency plans for a potential state government shutdown. Although we understand state debt service would have continued to be paid in a shutdown scenario, the legislature's difficulty resolving its differences on fiscal matters presents some medium-term concerns. In our view, the state's credit rating could come under negative pressure if -- in a more negatively trending economy -- the state faced a larger projected deficit and similar recalcitrance by opposing legislative caucuses.

The state's automatic budget-stabilization fund deposits, which it continued to observe even despite the difficult budget process, are likely to serve its credit well when the economy -- and revenues -- take a negative turn. At present, the state is in a reserve rebuilding phase, which we view as important to the state's credit quality going forward. The state's tendency to deplete reserves during economic downturns limits the state's rating from moving upward.

At this stage, with a budget now in place, downside credit risk would likely have economic origins. If a downturn were sudden enough to create a mid-biennium budget gap, we believe there is some risk for downward pressure on the rating to intensify should the legislature experience significant difficulty resolving its differences in the supplemental budget.

Governmental Framework

The state's statutory requirement to adopt a balanced budget, when coupled with its financial management policies, encourages the state to manage toward ensuring its ongoing fiscal solvency. Legal protections for the state's GO debt include a specific constitutional requirement that the legislature make appropriations in the budget for the interest and principal installment payments on its debt. Although neither state statute nor the state constitution provide debt service a priority relative to other state payment obligations, no other payment obligation enjoys a specific requirement that an appropriation be made. This has the practical effect of providing debt service with a strong legal position among the state's various payment obligations, in our view.

The governor has authority to make across-the-board reductions to spending allotments when a cash deficit in a particular fund is projected. However, authority to impose disbursement reductions does not include allotments for basic education, pension benefits, or general obligation debt service. The state's office of financial management monitors and makes recommendations about cash management activities to the governor.

An active voter initiative environment complicates the state's governmental framework. We have viewed the active voter initiative environment as limiting the state's fiscal flexibility somewhat. However, the legislature's willingness and ability to set aside provisions of voter-approved initiatives when fiscal conditions warrant has proven beneficial to credit quality, in our view. (Initiatives may be amended with a two-thirds vote of the legislature within two years of passage and a simple majority of the legislature thereafter.) We noted, for instance, that during the 2009-2011 biennium and during six of the past 12 years, the legislature temporarily suspended Initiatives 732 and 728 (for teacher cost-of-living salary increases and smaller class sizes, respectively). The initiatives were suspended again in the 2011-2013 biennium, and in the 2012 legislative session, the legislature repealed I-728 altogether. The legislature has also suspended I-732 again for the 2013-2015 biennium.

Similar to many other states, significant spending areas in the budget are largely nondiscretionary. The state approximates that as much as 60% of spending, primarily for K-12 education, Medicaid, foster care, debt service, and pensions, is effectively legally required by some combination of state constitution, statute, court decision, or federal mandate. In addition, Washington voters have, over the years, approved initiatives that have reduced the revenue and spending autonomy of the state. In the current budget cycle, a voter initiative added $281 million to the state deficit (through fiscal year 2013) by repealing certain temporary taxes the legislature had adopted as a component of balancing the state budget.

During the 2011 legislative session, the legislature added a debt commission to the state's recently approved inaugural debt affordability study. The debt commission evaluated the state's use of debt and made policy or constitutional change recommendations, including creation of a new constitutional debt limit. Given that Washington's debt levels are somewhat higher than other states, we believe steps to contain the growth of its debt burden could have favorable implications for the state's credit quality.

In 2012, the legislature put on the ballot, and the voters subsequently approved, a constitutional amendment related to the prior state debt limit. The amendment lowers the limit on the state's annual debt service to 8% of a six-year moving average of general fund revenue from 9% of a three-year moving average. Finally, in 2012, the legislature approved reducing early retirement benefits for newly hired employees in three state pension plans and began phasing in a reduction of the assumed rate of return for its pensions.

On a scale ranging from 1 (strongest) to 4, we have assigned a score of '1.8' to Washington's governmental framework.

Financial Management

Financial management assessment: "strong"

We consider the state's financial management practices "strong" under our FMA methodology. An FMA of strong indicates our view that practices are strong, well embedded, and likely sustainable. The state ERFC, which is made up of representatives appointed by the governor's office, both houses of the legislature, and both major political parties, as well as the state treasurer, produces an analytical report on economic and revenue performance each month and, by statute, presents quarterly revenue forecasts covering the current and upcoming biennium. The state uses the council's forecasts, which are based on a modified IHS Global Insight model of the U.S. economy, to set revenue parameters at biennial budget adoption. The state has a record of making budget adjustments within the biennium when the forecast council materially changes its projections. Beginning with the fiscal 2013-2015 biennium, a new state law requires the legislature to balance not just the biennial budget but also the spending and revenues anticipated for the subsequent two-year period. In addition, three times per year, the state convenes a Caseload Forecast Council, which forecasts service requirements in such areas as public assistance, state corrections, medical assistance, and K-12 education. The executive branch uses these forecasts, along with historical expenditures, to formulate budget proposals and mid-biennium revisions.

Further guiding budgeting decisions is a rolling, four-year general fund forecast maintained by the governor's Office of Financial Management. The state uses these forecasts to quantify the timing and scope of potential deficits in the subsequent biennium and, in some cases, to begin to address structural imbalances before the next budget cycle begins. Although the state does not have a minimum reserve policy, the state constitution requires the state to set aside 1% of most unrestricted state revenues in each fiscal year into a budget-stabilization fund, a form of "rainy day" fund. That fund can be tapped under a provision allowing the state to draw on the fund when employment growth falls below 1%, in the event of a catastrophic emergency, or by a 60% supermajority vote of the legislature. It was not tapped in the 2011-2013 biennium. When the fund reaches 10% of estimated general state revenues in that fiscal year, the state can also draw excess funds for education capital projects. In addition, in November 2011, voters approved a measure requiring that any revenue growth that exceeds by one-third the average biennial growth in state revenues during the prior five biennia be transferred to the budget-stabilization account.

Other policies and practices include:

- Capital spending that the state budgets for on a biennial schedule but plans on a rolling, 10-year basis and includes funding sources;
- A formal investment management policy that covers eligible investments, maximum maturities (10 years), allocations of nongovernment securities, and internal and external controls; and
- Debt management under an issuance policy that, among other elements, addresses refunding savings thresholds.

Budget management framework

Washington adheres to budget management practices we consider generally strong. Across different gubernatorial administrations, when confronted with projected budget gaps, the state's political leadership has demonstrated a willingness to consider difficult fiscal adjustments, including both expenditure and revenue measures. In addition, when deficits emerge mid-cycle, the state has generally responded with timely corrective actions. Revenue projections are apolitical and developed according to the state's independent revenue forecasts. When deficits do emerge, however, the state tends to include nonrecurring measures among its solutions, and its updates to actual fiscal performance that include both revenue and spending trends are not regularly available at intra-year intervals.

On a scale ranging from 1 (strongest) to 4, we have assigned a score of '1.5' to Washington's financial management.

Economy

Washington's economy enjoys several fundamental strengths, including an above-average education level among its populace (30% of whom have bachelor's degree or higher). Other positive features of the state's economy are its consistently strong population growth trends (4.4% faster than the U.S.), relatively low age-dependency ratio (55.6), good per capita gross state product (110% of the nation), and good per capita incomes (106% of the U.S.). Similar to other states, recent private sector job gains have been offset by public sector losses. For 2012, unemployment stood at 8.2% in Washington, only slightly above the national jobless rate of 8.1%. During 2013, the state's unemployment rate has fallen faster than the nation's and through May stood at 6.8% versus the nation's 7.5%.

Economic development prospects remain good in our view. Boeing, the state's largest employer, is benefitting from the global recovery in passenger and cargo air traffic increases. The firm currently has an approximately seven-year backlog of orders for aircraft. However, with increasing worker productivity and a transition to the assembly phase of its 787-Dreamliner, Boeing has reduced its workforce in recent months.

Washington continues to be a leading export state in the nation. The state's exports grew 7.0% through the first quarter of 2013 compared with the prior year. Although transportation related exports (airliners in particular) have softened recently, the state's nontransportation export growth has remained strong.

High-paying jobs with both of the state's largest employers, Microsoft and Boeing, support the state's forecast's for a personal income growth rate in excess of that of the U.S. through the forecast's timeframe of 2015 despite a similar overall job growth rate.

State-projected 3.0% and 5.3% rates of nominal personal income growth in 2013 and 2014 (calendar), respectively, exceed the state's forecast of fiscal year 2013 and 2014 cumulative general fund revenue growth of 6.6%. The divergence in the growth rates indicates relatively stronger economic activity among the higher value sectors in the state and partially reflects the fact that the state does not levy a personal income tax.

On a scale ranging from 1 (strongest) to 4, we have assigned a score of '1.4' to Washington's economy.

Budgetary Performance

Liquidity

Washington's liquidity has strengthened markedly, and as of June 2013, the general fund cash balance was $178.6 million -- a $698 million improvement from June 2012 when the general fund cash balance was negative. In fact, general fund cash balances had been negative for more than 24 straight months. When general fund cash is negative, the state has access to cash for liquidity in its treasury and treasury trust funds, the former of which is subject to legislative appropriation. This cash is held in the custody of and invested on a comingled basis by the state treasurer. As a result of its good access to internal liquidity, the state does not rely on external borrowing for cash flow management. As such, we continue to view the state's internal liquidity sources as sufficient to support its general fund budget operations -- which we anticipate will continue to track an improving trajectory along with state revenues and the economy more broadly.

Audited financial performance

The state has a strong track record of maintaining good reserves, but the recession took its toll on the state's budget reserve by fiscal years 2011 and 2012. At June 30, 2011, however, the state's ending assigned and unassigned fund balance was about $1 billion, equal to 4.1% of expenditures on a Generally Accepted Accounting Principle basis, which we consider good. By the end of fiscal year 2012, the state's assigned and unassigned fund balance had declined a bit to $788 million but remained adequate, in our view, at 3.3% of expenditures. During expansionary phases of the economic cycle, the state consistently returns operating surpluses and good reserve positions. State authority to defer payments, borrow from the treasury and treasurer trust funds, and issue cash flow notes, if needed, all serve as contingency liquidity measures, but the state managed through the Great Recession without taking these steps. The absence of a formal policy for the state's budget reserve level allows for low balances to persist through protracted periods of economic and revenue softness.

The state's reliance on retail sales and business and occupation (gross receipts) taxes for a combined 69% of general fund tax revenues (on a budgetary basis) typically affords more revenue stability than other states enjoy because many of them rely on personal income tax revenues. Spending priorities are regularly evaluated through the state's "priorities of government" approach to zero-based budgeting. Independent and formal revenue and caseload forecasts inform budget decisions, and political leaders have demonstrated a willingness to make difficult adjustments when necessary.

On a scale ranging from 1 (strongest) to 4, we have assigned a score of '1.9' to Washington's budget performance.

Debt And Liability Profile

As noted, Washington's debt is moderately high by several of our measures. Debt paydown is average, in our view, with 44% of outstanding principal amortized over 10 years. Gross GO and lease appropriation-backed debt service is moderate, at 5.29% of general governmentwide (all funds) spending in fiscal year 2012 (audited). Portions of the state's debt are funded from self-supporting or reimbursable sources, however. When adjusting for these offsetting revenues, we estimate that debt service is 4.78% of general fund expenditures, moderate in our view. We anticipate that continuing transportation needs, including two major urban highway projects, will likely translate into continuing GO issuance in the next two to three years. The state currently projects that it may issue approximately $861 million in new GO and MVFT GO bonds in early 2014. The state also estimates that it may issue around $220 million of additional GARVEE bonds in September 2013 to finance a portion of its State Route-520 transportation projects.

Pension plans are well funded

Long-term state liabilities include those related to the state's pension system and retiree health care. As of June 30, 2011, the actuarial accrued liability (AAL) of the defined-benefit portion of the state's 12 pension plans totaled $64.9 billion, of which actuarial assets ($60.8 billion) in aggregate accounted for 93.7%. The funded ratio improved after recent changes to the plan 1 (Public Employee Retirement System (PERS) and Teacher Retirement System--TRS). During its 2011 session, the legislature rescinded automatic cost of living adjustments (COLAs) to the PERS plan 1 and the TRS plan 1. Elimination of the UCOLA reduces the plan 1 unfunded actuarial accrued liabilities (UAAL) to $5.76 billion (estimated as of June 30, 2012) from $6.88 billion (estimated in 2010). On a preliminary basis, the state's nine largest pension plans were slightly surplus funded (101%) as of June 30, 2012.

Based on the most recent comprehensive annual financial report, in 2012 (reflecting actuarial data through fiscal 2011), the state's total UAAL for its pension plans was $4.1 billion, equal to $601 per capita (using 2011 U.S. Census population figures), which we view as lower than average. Relative to total personal income, it is just 1.4%, which is low in our view (which we score as "strong"). Contributions to pension funding equaled $392.6 million in fiscal 2012, equal to a low 1.65% of general fund expenditures. Although the state makes its required contributions to each plan as set forth in the plans' respective funding policies, contributions tend not to equal the annual required contributions (ARC). For fiscal year 2012, the total contributions from the state and other plan participants equaled 74% of the ARC.

OPEB is funded on a pay-as-you-go basis

Other postemployment benefits (OPEB) are funded on a pay-as-you-go basis. The state's OPEBs produce an implicit liability from allowing retired employees to purchase health, life, and vision insurance in the same pool as current employees at a subsidized rate. The explicit benefit subsidizes retired members' monthly premiums for enrollment in Medicare Parts A and B. On an actuarial basis, the state's portion of the AAL made up $3.49 billion of the total, and the annual OPEB cost was $330 million in fiscal year 2012, according to the state's fiscal 2012 audited financial statements. The state contributed $78.7 million for current pay-as-you-go expenses for retiree benefits, equal to less than 1% of annual general fund expenditures, that same year. We understand that the state does not plan to fully fund the ARC for the foreseeable future.

On a scale ranging from 1 (strongest) to 4, we have assigned a score of 2.3 to Washington's debt and liability profile.

Related Criteria And Research

- USPF Criteria: State Ratings Methodology, Jan. 3, 2011
- USPF Criteria: Financial Management Assessment, June 27, 2006
- USPF Criteria: Appropriation-Backed Obligations, June 13, 2007
- U.S. State And Local Government Credit Conditions Forecast, July 8, 2013

Ratings Detail (As Of July 19, 2013)		
Washington certs of part (Washington St Dept of Gen Admin Tacoma Co-Location Proj) dtd 12/01/1996		
Long Term Rating	AA/Stable	Affirmed
Washington motor veh fuel tax GO rfdg bnds		
Long Term Rating	AA+/Stable	Affirmed
Washington motor veh fuel tax GO rfdg bnds ser R-2013B		
Long Term Rating	AA+/Stable	Affirmed
Washington mtr veh fuel tax go bnds ser 2004C dtd 08/06/2003 due 06/01/2009-2030		
Unenhanced Rating	AA+(SPUR)/Stable	Affirmed
Washington mtr veh fuel tax GO bnds ser 2013B-1&2 due 08/01/2042		
Long Term Rating	AA+/Stable	Affirmed
Washington mtr veh fuel tax GO rfdg bnds		
Long Term Rating	AA+/Stable	Affirmed
Washington various purp gen oblig bnds		
Long Term Rating	AA+/Stable	Affirmed
Washington var purp GO rfdg bnds ser R-2013C		
Long Term Rating	AA+/Stable	Affirmed
Washington GO		
Long Term Rating	AA+/Stable	Affirmed
Washington GO bnds		
Unenhanced Rating	AA+(SPUR)/Stable	Affirmed
Washington GO bnds ser 2013T due 08/01/2018		
Long Term Rating	AA+/Stable	Affirmed

Ratings Detail (As Of July 19, 2013) (cont.)		
Washington GO Mtr Veh Fuel Tx		
Unenhanced Rating	AA+(SPUR)/Stable	Affirmed
Washington GO (wrap of insured) (AMBAC) (ASSURED GTY - SEC MKT)		
Unenhanced Rating	AA+(SPUR)/Stable	Affirmed
Washington GO (wrap of insured) (FGIC & AGM) (SEC MKT)		
Unenhanced Rating	AA+(SPUR)/Stable	Affirmed
Washington GO (Motor Vehicle Fuel Tax)		
Long Term Rating	AA+/Stable	Affirmed
Washington certs of part rfdg (Dept of Ecology St Office Bldg Proj) ser RE-2003-B		
Unenhanced Rating	AA(SPUR)/Stable	Affirmed
Washington GO		
Unenhanced Rating	AA+(SPUR)/Stable	Affirmed
Aberdeen, Washington		
Washington		
Aberdeen (Washington) spl rfdg rev bnds (Stafford Creek Corrections Ctr) ser 2009		
Long Term Rating	AA/Stable	Affirmed
FYI Properties, Washington		
Washington		
FYI Properties (Washington) Lease rev bnds (State Of Washington Dis Proj) ser 2009		
Long Term Rating	AA/Stable	Affirmed

Many issues are enhanced by bond insurance.