



RULE-MAKING ORDER
(RCW 34.05.360)

CR-103 (10/1/89)

Agency: General Administration - Division of Banking

- Permanent Rule
 Emergency Rule

(1) Date of adoption: May 25, 1990

(2) Purpose: To revise the procedure used by the division of banking to collect revenues for the proper operation of the examination and supervision functions of the division.

(3) Citation of existing rules affected by this order:

Repealed:
Amended: WAC 50-44 et. seq.
Suspended:

(4) Authority for adoption:

Statute: RCW 30.04.070 and 30.08.095
Other Authority:

(5 1) PERMANENT RULE ONLY

Pursuant to notice filed as WSR 90-09-091 on April 18, 1990 (date).
Describe any changes other than editing from proposed to adopted version:
NONE

(5 2) EMERGENCY RULE ONLY

Pursuant to RCW 34.05.350 the agency for good cause finds:

- (a) That immediate adoption, amendment, or repeal of a rule is necessary for the preservation of the public health, safety, or general welfare, and that observing the time requirements of notice and opportunity to comment upon adoption of a permanent rule would be contrary to the public interest.
 (b) That state or federal law or federal rule or a federal deadline for state receipt of federal funds requires immediate adoption of a rule.

Reasons for this finding:

(5 3) Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?

- Yes No If yes, explain:

(6) Effective date of rule:

- | | |
|--|--|
| <p>Permanent Rules</p> <p><input checked="" type="checkbox"/> 31 days after filing
<input type="checkbox"/> Other (specify) _____*</p> <p><small>*(If less than 31 days after filing, specific finding in 5 3 under RCW 34 05 380(3) is required)</small></p> | <p>Emergency Rules</p> <p><input type="checkbox"/> Immediately
<input type="checkbox"/> Later (specify) _____</p> |
|--|--|

CODE REVISER USE ONLY

CODE REVISER'S OFFICE
STATE OF WASHINGTON
FILED

MAY 25 1990

TIME: 3:03 PM
WSR: 90-09-007

NAME (TYPE OR PRINT)

Thomas H. Oldfield

SIGNATURE

Thomas H. Oldfield

Supervisor of Banking

DATE
5-25-90

AMENDATORY SECTION (Amending Order 55, filed 10/3/83)

WAC 50-44-010 COLLECTION OF EXAMINATION COSTS--COLLECTION METHOD. The requirement of RCW 30.04.070 and 30.08.095 that the supervisor collect from each bank, mutual savings bank, stock savings bank, trust company, or industrial loan company, the ((estimated)) costs of ((examinations)) the division, shall be met in accordance with the procedures established in this chapter. Costs shall be recouped by the following methods: Semiannual asset charges in order to recoup nondirect bank examination related expenses (RCW 30.08.095, giving the supervisor the authority to charge for other services rendered), ((a charge for each branch office in operation,)) and an hourly charge for the estimated actual cost of examination determined by a rate specified herein times the number of hours spent by division personnel in ((specialized)) regular or extraordinary examinations. ((In addition, a special assessment will be made over the next two years to provide working capital for the banking examination fund.))

AMENDATORY SECTION (Amending Order 77, filed 4/6/89)

WAC 50-44-020 SEMIANNUAL ASSET CHARGE--ASSESSMENT. A semiannual charge for assets will be used to recoup nondirect bank examination related expenses (RCW 30.08.095). The semiannual charge for assets will be computed upon the asset value reflected in the most recent report of condition. The rate of such charge shall be as set forth in the following schedules:

(1) Commercial banks, mutual savings banks, and stock savings banks.

If the bank's total assets are: The assessment is:

Over	But not Over	This Amount	Plus	Of Excess Over
Million	Million			Million
((0	1	\$--500	.0000850	0
1	10	1,000	.0000850	1
10	100	1,000	.0000800	1
100	300	1,000	.0000600	1
300	500	1,000	.0000575	1
500	700	1,000	.0000538	1
700	900	1,000	.0000525	1
900	1,000	1,000	.0000500	1
1,000		1,000	.0000450	1))
0	10	\$ 25	0	0
10	20	50	0	10
20	30	75	0	20
30	40	100	0	30
40	60	100	.00000625	40
60	100	375	.000006875	60
100	150	650	.000007	100
150	200	1000	.000005	150
200	350	1250	.000025	200
350	500	5000	.00000833	350
500	750	6250	.000002	500
750	1000	6750	.00001	750
1000		9250	.00001065	1,000

(2) Alien banks.

If the bank's total assets are: The assessment is:

Over	But not Over	This Amount	Plus	Of Excess Over
Million	Million			Million
(0	200	\$1,000	.0000625	1
200	300	1,000	.0000600	1
300	500	1,000	.0000575	1
500	700	1,000	.0000550	1
700	1,000	1,000	.0000500	1
1,000		1,000	.0000450	1))
0	50	100	.000005	0
50	100	2,600	.000007	50
100	500	6,100	.000004	100
500	750	22,100	.0000035	500
750	1,000	30,850	.000003	750
1,000	--	38,350	.0000025	1,000

~~((3))~~ Mutual savings banks and stock savings banks.

If the bank's total assets are: The assessment is:

Over	But not Over	This Amount	Plus	Of Excess Over
Million	Million			Million
0	100	\$3,000		
100	200	1,000	.0000225	1
200	500	1,000	.0000200	1
500	1,000	1,000	.0000175	1
1,000	3,000	1,000	.00001625	1
3,000		1,000	.0000150	1))

((4)) (3) Industrial loan companies.

If the total assets on a consolidated basis are: The assessment is:

Over	But not Over	This Amount	Plus	Of Excess Over
Million	Million			Million
0	1	\$ 250		
1	--	250	.0000075	1

The supervisor's office shall forward by United States mail a notice to each financial institution showing the manner of calculating the asset charge due and a worksheet for such purposes. The notices shall be mailed with the blank June and December report of condition commencing with the ~~((December-1988))~~ June 1990 report of condition applicable to commercial, savings and alien banks and the consolidated annual report and a semiannual notice of assessment applicable to industrial loan companies. The asset charge shall be calculated by the financial institution and forwarded to the office of the supervisor of banking with the applicable report. A completed copy of the worksheet shall be included with the assessment. An additional two hundred dollar penalty shall be assessed if the amount is not paid within the time specified.

AMENDATORY SECTION (Amending Order 62, filed 9/13/85)

WAC 50-44-030 ((ADDITIONAL)) HOURLY FEES AND CHARGES--REGULAR, INCLUDING EXTRAORDINARY EXAMINATION AND SPECIAL EXAMINATIONS((--BRANCH

OFFICES)). Each bank, mutual savings bank, trust company, alien bank, or industrial loan company shall pay to the supervisor the following fees:

(1) For ~~((special))~~ regular examinations ~~((and-reviews-as--determined-by-the-supervisor,-forty-dollars-per-hour;-(special))~~, including extraordinary examinations ((are)) for the express purpose of examining unusual conditions or circumstances, including extensions of regular examinations wherein conditions may warrant extension of time required in the examination beyond normal allotted time~~((;))~~ and such other reviews as determined by the supervisor; forty-five dollars per hour. The supervisor may charge the actual cost of examinations performed under personal service contracts by third parties.

(2) For electronic data processing examination, trust examination, or other examination requiring specialized expertise, ~~((forty))~~ fifty-five dollars per hour~~((;))~~

~~{3}-for-each-bank-branch-in-operation-at-the-time-of-any-periodic examination,-seventy-five-dollars;~~

~~{4}-for-each-industrial-loan-company-branch-in-operation-at-the time-of-any-periodic-examination,-one-hundred-fifty--dollars).~~ Electronic data processing centers and trust companies are exempt from the asset assessment provisions of WAC 50-44-020(1) if such centers or companies are not a part of the assets of the bank as reported in the report of condition.

The supervisor shall submit a statement for the foregoing charges following the completion of any applicable examination, and the charges shall be paid not later than thirty days after submission of such statement.

NEW SECTION

WAC 50-44-050 LIMITATIONS ON ASSESSMENTS. (1) Limit on assessment. The charges assessed under WAC 50-44-020(1) relating to a semi-annual asset charge in WAC 50-44-030(1) relating to the hourly examination fee, shall not exceed eighty percent of the assessment charge applicable for a two-year period of the Office of the Comptroller of the Currency ("OCC") or its successor.

(2) Determination. The total of semiannual assessments and examination fees are determined by adding the monthly average semiannual assessment and the monthly average of the examination fees for any twenty-four month period after June 1, 1990. The monthly average is determined by dividing the semiannual assessment fee by six and applying the monthly average to the previous six months. The monthly average examination fee is determined by dividing the examination fee for each examination during the averaging period by the number of months between each such examination and the previous examination as determined by the date of the examinations and applying the monthly average to those months. The OCC charge is determined in the same manner.

(3) Rebate. The rebate is determined by the difference between the sum of the applicable monthly average state charges for the twenty-four month period minus eighty percent of the sum of the applicable monthly average OCC charge for the same period, as each are determined in subsection (2) of this section.

(4) Petition. Entitlement of the rebate shall occur only upon petition and proof to the supervisor.

(5) Rebates shall become eligible on June 1, 1992, and such eligibility shall continue for six years thereafter.