

CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 1327

Chapter 106, Laws of 2013

63rd Legislature
2013 Regular Session

MONEY TRANSMITTERS

EFFECTIVE DATE: 07/28/13

Passed by the House March 7, 2013
Yeas 97 Nays 0

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 15, 2013
Yeas 48 Nays 0

BRAD OWEN

President of the Senate

Approved May 1, 2013, 2:09 p.m.

JAY INSLEE

Governor of the State of Washington

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 1327** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

Chief Clerk

FILED

May 1, 2013

**Secretary of State
State of Washington**

SUBSTITUTE HOUSE BILL 1327

Passed Legislature - 2013 Regular Session

State of Washington

63rd Legislature

2013 Regular Session

By House Business & Financial Services (originally sponsored by Representatives Kirby, Ryu, and Santos; by request of Department of Financial Institutions)

READ FIRST TIME 02/18/13.

1 AN ACT Relating to licensing and enforcement provisions applicable
2 to money transmitters; amending RCW 19.230.020, 19.230.040, 19.230.110,
3 19.230.120, 19.230.150, 19.230.200, and 19.230.310; and reenacting and
4 amending RCW 19.230.010.

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

6 **Sec. 1.** RCW 19.230.010 and 2010 c 73 s 1 are each reenacted and
7 amended to read as follows:

8 The definitions in this section apply throughout this chapter
9 unless the context clearly requires otherwise.

10 (1) "Affiliate" means any person who directly or indirectly through
11 one or more intermediaries, controls, is controlled by, or is under
12 common control with, another person.

13 (2) "Annual assessment due date" means the date specified in rule
14 by the director upon which the annual assessment is due.

15 (3) "Applicant" means a person that files an application for a
16 license under this chapter, including the applicant's proposed
17 responsible individual and executive officers, and persons in control
18 of the applicant.

1 (4) "Authorized delegate" means a person a licensee designates to
2 provide money services on behalf of the licensee. A person that is
3 exempt from licensing under this chapter cannot have an authorized
4 delegate.

5 (5) "Board director" means a member of the applicant's or
6 licensee's board of directors if the applicant is a corporation or
7 limited liability company, or a partner if the applicant or licensee is
8 a partnership.

9 (6) "Closed loop stored value (~~device~~)" means ((a)) stored value
10 ((~~device~~)), when that value or credit is primarily intended to be
11 redeemed for a limited universe of goods, intangibles, services, or
12 other items provided by the issuer of the stored value, its affiliates,
13 or others involved in transactions functionally related to the issuer
14 or its affiliates.

15 (7) "Control" means:

16 (a) Ownership of, or the power to vote, directly or indirectly, at
17 least twenty-five percent of a class of voting securities or voting
18 interests of a licensee or applicant, or person in control of a
19 licensee or applicant;

20 (b) Power to elect a majority of executive officers, managers,
21 directors, trustees, or other persons exercising managerial authority
22 of a licensee or applicant, or person in control of a licensee or
23 applicant; or

24 (c) Power to exercise directly or indirectly, a controlling
25 influence over the management or policies of a licensee or applicant,
26 or person in control of a licensee or applicant.

27 (8) "Currency exchange" means exchanging the money of one
28 government for money of another government, or holding oneself out as
29 able to exchange the money of one government for money of another
30 government. The following persons are not considered currency
31 exchangers:

32 (a) Affiliated businesses that engage in currency exchange for a
33 business purpose other than currency exchange;

34 (b) A person who provides currency exchange services for a person
35 acting primarily for a business, commercial, agricultural, or
36 investment purpose when the currency exchange is incidental to the
37 transaction;

1 (c) A person who deals in coins or a person who deals in money
2 whose value is primarily determined because it is rare, old, or
3 collectible; and

4 (d) A person who in the regular course of business chooses to
5 accept from a customer the currency of a country other than the United
6 States in order to complete the sale of a good or service other than
7 currency exchange, that may include cash back to the customer, and does
8 not otherwise trade in currencies or transmit money for compensation or
9 gain.

10 (9) "Currency exchanger" means a person that is engaged in currency
11 exchange.

12 (10) "Director" means the director of financial institutions.

13 (11) "Executive officer" means a president, chairperson of the
14 executive committee, chief financial officer, responsible individual,
15 or other individual who performs similar functions.

16 (12) "Financial institution" means any person doing business under
17 the laws of any state or the United States relating to commercial
18 banks, bank holding companies, savings banks, savings and loan
19 associations, trust companies, or credit unions.

20 (13) "Licensee" means a person licensed under this chapter.

21 (14) "Material litigation" means litigation that according to
22 generally accepted accounting principles is significant to an
23 applicant's or a licensee's financial health and would be required to
24 be disclosed in the applicant's or licensee's annual audited financial
25 statements, report to shareholders, or similar records.

26 (15) "Mobile location" means a vehicle or movable facility where
27 money services are provided.

28 (16) "Money" means a medium of exchange that is authorized or
29 adopted by the United States or a foreign government or other
30 recognized medium of exchange. "Money" includes a monetary unit of
31 account established by an intergovernmental organization or by
32 agreement between two or more governments.

33 (17) "Money services" means money transmission or currency
34 exchange.

35 (18) "Money transmission" means receiving money or its equivalent
36 value to transmit, deliver, or instruct to be delivered the money or
37 its equivalent value to another location, inside or outside the United
38 States, by any means including but not limited to by wire, facsimile,

1 or electronic transfer. "Money transmission" does not include the
2 provision solely of connection services to the internet,
3 telecommunications services, or network access. "Money transmission"
4 includes selling, issuing, or acting as an intermediary for open loop
5 stored value ((~~devices~~)) and payment instruments, but not closed loop
6 stored value ((~~devices~~)).

7 (19) "Money transmitter" means a person that is engaged in money
8 transmission.

9 (20) "Open loop stored value ((~~device~~))" means ((a)) stored value
10 ((~~device~~)) redeemable at multiple, unaffiliated merchants or service
11 providers, or automated teller machines.

12 (21) "Outstanding money transmission" means the value of all money
13 transmissions reported to the licensee for which the money transmitter
14 has received money or its equivalent value from the customer for
15 transmission, but has not yet completed the money transmission by
16 delivering the money or monetary value to the person designated by the
17 customer.

18 (22) "Payment instrument" means a check, draft, money order, or
19 traveler's check for the transmission or payment of money or its
20 equivalent value, whether or not negotiable. "Payment instrument" does
21 not include a credit card voucher, letter of credit, or instrument that
22 is redeemable by the issuer in goods or services.

23 (23) "Person" means an individual, corporation, business trust,
24 estate, trust, partnership, limited liability company, association,
25 joint venture; government, governmental subdivision, agency, or
26 instrumentality; public corporation; or any other legal or commercial
27 entity.

28 (24) "Record" means information that is inscribed on a tangible
29 medium, or that is stored in an electronic or other medium, and is
30 retrievable in perceivable form.

31 (25) "Responsible individual" means an individual who is employed
32 by a licensee and has principal managerial authority over the provision
33 of money services by the licensee in this state.

34 (26) "State" means a state of the United States, the District of
35 Columbia, Puerto Rico, the United States Virgin Islands, or any
36 territory or insular possession subject to the jurisdiction of the
37 United States.

1 (27) "Stored value ((~~device~~))" means a card or other device that
2 electronically stores or provides access to funds and is available for
3 making payments to others.

4 (28) "Tangible net worth" means the physical worth of a licensee,
5 calculated by taking a licensee's assets and subtracting its
6 liabilities and its intangible assets, such as copyrights, patents,
7 intellectual property, and goodwill.

8 (29) "Unsafe or unsound practice" means a practice or conduct by a
9 person licensed to provide money services, or an authorized delegate of
10 such a person, which creates the likelihood of material loss,
11 insolvency, or dissipation of the licensee's assets, or otherwise
12 materially prejudices the financial condition of the licensee or the
13 interests of its customers.

14 **Sec. 2.** RCW 19.230.020 and 2010 c 73 s 2 are each amended to read
15 as follows:

16 This chapter does not apply to:

17 (1) The United States or a department, agency, or instrumentality
18 thereof;

19 (2) Money transmission by the United States postal service or by a
20 contractor on behalf of the United States postal service;

21 (3) A state, county, city, or a department, agency, or
22 instrumentality thereof;

23 (4) A financial institution or its subsidiaries, affiliates, and
24 service corporations, or any office of an international banking
25 corporation, branch of a foreign bank, or corporation organized
26 pursuant to the Bank Service Corporation Act (12 U.S.C. Sec. 1861-1867)
27 or a corporation organized under the Edge Act (12 U.S.C. Sec. 611-633);

28 (5) Electronic funds transfer of governmental benefits for a
29 federal, state, county, or governmental agency by a contractor on
30 behalf of the United States or a department, agency, or instrumentality
31 thereof, or a state or governmental subdivision, agency, or
32 instrumentality thereof;

33 (6) A board of trade designated as a contract market under the
34 federal Commodity Exchange Act (7 U.S.C. Sec. 1-25) or a person that,
35 in the ordinary course of business, provides clearance and settlement
36 services for a board of trade to the extent of its operation as, or
37 for, a board of trade;

1 (7) A registered futures commission merchant under the federal
2 commodities laws to the extent of its operation as such a merchant;

3 (8) A person that provides clearance or settlement services under
4 a registration as a clearing agency, or an exemption from that
5 registration granted under the federal securities laws, to the extent
6 of its operation as such a provider;

7 (9) An operator of a payment system only to the extent that it
8 provides processing, clearing, or settlement services, between or among
9 persons who are all excluded by this section, in connection with wire
10 transfers, credit card transactions, debit card transactions, stored-
11 value transactions, automated clearinghouse transfers, or similar funds
12 transfers;

13 (10) A person registered as a securities broker-dealer or
14 investment advisor under federal or state securities laws to the extent
15 of its operation as such a broker-dealer or investment advisor;

16 (11) An insurance company, title insurance company, or escrow agent
17 to the extent that such an entity is lawfully authorized to conduct
18 business in this state as an insurance company, title insurance
19 company, or escrow agent and to the extent that they engage in money
20 transmission or currency exchange as an ancillary service when
21 conducting insurance, title insurance, or escrow activity;

22 (12) The issuance, sale, use, redemption, or exchange of closed
23 loop stored value (~~devices~~) or of payment instruments by a person
24 licensed under chapter 31.45 RCW;

25 (13) An attorney, to the extent that the attorney is lawfully
26 authorized to practice law in this state and to the extent that the
27 attorney engages in money transmission or currency exchange as an
28 ancillary service to the practice of law; or

29 (14) A stored value (~~device~~) seller or issuer when the funds (~~on~~
30 ~~the device~~) are covered by federal deposit insurance immediately upon
31 sale or issue.

32 The director may, at his or her discretion, waive applicability of
33 the licensing provisions of this chapter when the director determines
34 it necessary to facilitate commerce and protect consumers. The
35 director may adopt rules to implement this section.

36 **Sec. 3.** RCW 19.230.040 and 2003 c 287 s 6 are each amended to read
37 as follows:

1 (1) A person applying for a money transmitter license under this
2 chapter shall do so in a form and in a medium prescribed in rule by the
3 director. The application must state or contain:

4 (a) The legal name, business addresses, and residential address, if
5 applicable, of the applicant and any fictitious or trade name used by
6 the applicant in conducting its business;

7 (b) The legal name, residential and business addresses, date of
8 birth, social security number, employment history for the five-year
9 period preceding the submission of the application of the applicant's
10 proposed responsible individual, and documentation that the proposed
11 responsible individual is a citizen of the United States or has
12 obtained legal immigration status to work in the United States. In
13 addition, the applicant shall provide the fingerprints of the proposed
14 responsible individual upon the request of the director;

15 (c) For the ten-year period preceding submission of the
16 application, a list of any criminal convictions of the proposed
17 responsible individual of the applicant, any material litigation in
18 which the applicant has been involved, and any litigation involving the
19 proposed responsible individual relating to the provision of money
20 services;

21 (d) A description of any money services previously provided by the
22 applicant and the money services that the applicant seeks to provide
23 (~~(in this state)~~) to persons in Washington state;

24 (e) A list of the applicant's proposed authorized delegates and the
25 locations (~~(in this state)~~) where the applicant and its authorized
26 delegates (~~(propose to)~~) will engage in the provision of money services
27 to persons in Washington state on behalf of the licensee;

28 (f) A list of other states in which the applicant is licensed to
29 engage in money transmission, or provide other money services, and any
30 license revocations, suspensions, restrictions, or other disciplinary
31 action taken against the applicant in another state;

32 (g) A list of any license revocations, suspensions, restrictions,
33 or other disciplinary action taken against any money services business
34 involving the proposed responsible individual;

35 (h) Information concerning any bankruptcy or receivership
36 proceedings involving or affecting the applicant or the proposed
37 responsible individual;

- 1 (i) A sample form of contract for authorized delegates, if
2 applicable;
- 3 (j) A description of the source of money and credit to be used by
4 the applicant to provide money services; and
- 5 (k) Any other information regarding the background, experience,
6 character, financial responsibility, and general fitness of the
7 applicant, the applicant's responsible individual, or authorized
8 delegates that the director may require in rule.
- 9 (2) If an applicant is a corporation, limited liability company,
10 partnership, or other entity, the applicant shall also provide:
- 11 (a) The date of the applicant's incorporation or formation and
12 state or country of incorporation or formation;
- 13 (b) If applicable, a certificate of good standing from the state or
14 country in which the applicant is incorporated or formed;
- 15 (c) A brief description of the structure or organization of the
16 applicant, including any parent or subsidiary of the applicant, and
17 whether any parent or subsidiary is publicly traded;
- 18 (d) The legal name, any fictitious or trade name, all business and
19 residential addresses, date of birth, social security number, and
20 employment history in the ten-year period preceding the submission of
21 the application for each executive officer, board director, or person
22 that has control of the applicant;
- 23 (e) If the applicant or its corporate parent is not a publicly
24 traded entity, the director may request the fingerprints of each
25 executive officer, board director, or person that has control of the
26 applicant;
- 27 (f) A list of any criminal convictions, material litigation, and
28 any litigation related to the provision of money services, in the ten-
29 year period preceding the submission of the application in which any
30 executive officer, board director, or person in control of the
31 applicant has been involved;
- 32 (g) A copy of the applicant's audited financial statements for the
33 most recent fiscal year or, if the applicant is a wholly owned
34 subsidiary of another corporation, the most recent audited consolidated
35 annual financial statement of the parent corporation or the applicant's
36 most recent audited consolidated annual financial statement, and in
37 each case, if available, for the two-year period preceding the
38 submission of the application;

1 (h) A copy of the applicant's unconsolidated financial statements
2 for the current fiscal year, whether audited or not, and, if available,
3 for the two-year period preceding the submission of the application;

4 (i) If the applicant is publicly traded, a copy of the most recent
5 report filed with the United States securities and exchange commission
6 under section 13 of the federal Securities Exchange Act of 1934 (15
7 U.S.C. Sec. 78m);

8 (j) If the applicant is a wholly owned subsidiary of:

9 (i) A corporation publicly traded in the United States, a copy of
10 audited financial statements for the parent corporation for the most
11 recent fiscal year or a copy of the parent corporation's most recent
12 report filed under section 13 of the federal Securities Exchange Act of
13 1934 (15 U.S.C. Sec. 78m); or

14 (ii) A corporation publicly traded outside the United States, a
15 copy of similar documentation filed with the regulator of the parent
16 corporation's domicile outside the United States;

17 (k) If the applicant has a registered agent in this state, the name
18 and address of the applicant's registered agent in this state; and

19 (l) Any other information that the director may require in rule
20 regarding the applicant, each executive officer, or each board director
21 to determine the applicant's background, experience, character,
22 financial responsibility, and general fitness.

23 (3) A nonrefundable application fee and an initial license fee, as
24 determined in rule by the director, must accompany an application for
25 a license under this chapter. The initial license fee must be refunded
26 if the application is denied.

27 (4) As part of or in connection with an application for any license
28 under this section, or periodically upon license renewal, each officer,
29 director, and owner applicant shall furnish information concerning his
30 or her identity, including fingerprints for submission to the
31 Washington state patrol or the federal bureau of investigation for a
32 state and national criminal history background check, personal history,
33 experience, business record, purposes, and other pertinent facts, as
34 the director may reasonably require. As part of or in connection with
35 an application for a license under this chapter, or periodically upon
36 license renewal, the director is authorized to receive criminal history
37 record information that includes nonconviction data as defined in RCW
38 10.97.030. The department may only disseminate nonconviction data

1 obtained under this section to criminal justice agencies. This section
2 does not apply to financial institutions regulated under chapters 31.12
3 and 31.13 RCW and Titles 30, 32, and 33 RCW. The requirements of this
4 subsection do not apply when the applicant or its corporate parents are
5 publicly traded entities.

6 (5) The director may waive one or more requirements (~~(of subsection~~
7 ~~(1) or (2))~~) of this section or permit an applicant to submit other
8 information in lieu of the required information.

9 **Sec. 4.** RCW 19.230.110 and 2010 c 73 s 6 are each amended to read
10 as follows:

11 (1) A licensee shall pay an annual assessment as established in
12 rule by the director no later than the annual assessment due date or,
13 if the annual assessment due date is not a business day, on the next
14 business day. A licensee shall pay an annual assessment based on the
15 previous year's Washington dollar volume of: (a) Money transmissions;
16 (b) payment instruments; (c) currency exchanges; and (d) stored value
17 sales. The total minimum assessment must be one thousand dollars per
18 year, and the maximum assessment may not exceed one hundred thousand
19 dollars per year.

20 (2) A licensee shall submit an accurate annual report with the
21 annual assessment, in a form and in a medium prescribed by the director
22 in rule. The annual report must state or contain:

23 (a) If the licensee is a money transmitter, a copy of the
24 licensee's most recent audited annual financial statement or, if the
25 licensee is a wholly owned subsidiary of another corporation, the most
26 recent audited consolidated annual financial statement of the parent
27 corporation or the licensee's most recent audited consolidated annual
28 financial statement;

29 (b) A description of each material change, as defined in rule by
30 the director, to information submitted by the licensee in its original
31 license application which has not been previously reported to the
32 director on any required report;

33 (c) If the licensee is a money transmitter, a list of the
34 licensee's permissible investments and a certification that the
35 licensee continues to maintain permissible investments according to the
36 requirements set forth in RCW 19.230.200 and 19.230.210;

1 (d) If the licensee is a money transmitter, proof that the licensee
2 continues to maintain adequate security as required by RCW 19.230.050;
3 and

4 (e) A list of the locations (~~(in this state)~~) where the licensee or
5 an authorized delegate of the licensee engages in or provides money
6 services to persons in Washington state.

7 (3) If a licensee does not file an annual report or pay its annual
8 assessment by the annual assessment due date, the director or the
9 director's designee shall send the licensee a notice of suspension and
10 assess the licensee a late fee not to exceed twenty-five percent of the
11 annual assessment as established in rule by the director. The
12 licensee's annual report and payment of both the annual assessment and
13 the late fee must arrive in the department's offices by 5:00 p.m. on
14 the thirtieth day after the assessment due date or any extension of
15 time granted by the director, unless that date is not a business day,
16 in which case the licensee's annual report and payment of both the
17 annual assessment and the late fee must arrive in the department's
18 offices by 5:00 p.m. on the next occurring business day. If the
19 licensee's annual report and payment of both the annual assessment and
20 late fee do not arrive by such date, the expiration of the licensee's
21 license is effective at 5:00 p.m. on the thirtieth day after the
22 assessment due date, unless that date is not a business day, in which
23 case the expiration of the licensee's license is effective at 5:00 p.m.
24 on the next occurring business day. The director, or the director's
25 designee, may reinstate the license if, within twenty days after its
26 effective date, the licensee:

27 (a) Files the annual report and pays both the annual assessment and
28 the late fee; and

29 (b) Did not engage in or provide money services during the period
30 its license was expired.

31 **Sec. 5.** RCW 19.230.120 and 2003 c 287 s 14 are each amended to
32 read as follows:

33 (1) In this section, "remit" means to make direct payments of money
34 to a licensee or its representative authorized to receive money or to
35 deposit money in a bank in an account specified by the licensee.

36 (2) A contract between a licensee and an authorized delegate must

1 require the authorized delegate to operate in full compliance with this
2 chapter and the rules adopted under this chapter.

3 (3) Neither the licensee nor an authorized delegate may authorize
4 subdelegates.

5 (4) An authorized delegate shall remit all money owing to the
6 licensee in accordance with the terms of the contract between the
7 licensee and the authorized delegate.

8 (5) If a license is suspended or revoked or a licensee surrenders
9 its license, the director shall notify all of the licensee's authorized
10 delegates (~~(of the licensee)~~) whose names are filed with the director,
11 at the address of record with the director, of the suspension,
12 revocation, or surrender and shall publish the name of the licensee.
13 An authorized delegate shall immediately cease to provide money
14 services as a delegate of the licensee upon receipt of notice, or after
15 publication is made, that the licensee's license has been suspended,
16 revoked, or surrendered.

17 (6) An authorized delegate may not provide money services other
18 than those allowed the licensee under its license. In addition, an
19 authorized delegate may not provide money services outside the scope of
20 activity permissible under the contract between the authorized delegate
21 and the licensee, except activity in which the authorized delegate is
22 authorized to engage under RCW 19.230.030 or 19.230.080.

23 **Sec. 6.** RCW 19.230.150 and 2003 c 287 s 17 are each amended to
24 read as follows:

25 (1) A licensee shall file with the director within thirty business
26 days any material changes in information provided in a licensee's
27 application as prescribed in rule by the director. If this information
28 indicates that the licensee is no longer in compliance with this
29 chapter, the director may take any action authorized under this chapter
30 to ensure that the licensee operates in compliance with this chapter.

31 (2) A licensee shall file with the director within forty-five days
32 after the end of each fiscal quarter a current list of all authorized
33 delegates (~~((and locations in this state where the licensee, or an
34 authorized delegate of the licensee, provides money services, including
35 mobile locations. The licensee shall state the name and street address
36 of each location and authorized delegate operating at the location))~~)
37 including the name, address, and e-mail address, if available, of each

1 authorized delegate providing money services to persons in Washington.
2 The licensee shall also file with the director within forty-five days
3 after the end of each fiscal quarter a current list of all licensee
4 locations providing money services to persons in Washington, including
5 mobile locations, which includes the address, and e-mail address if
6 available, of the licensee.

7 (3) A licensee shall file a report with the director within one
8 business day after the licensee has reason to know of the occurrence of
9 any of the following events:

10 (a) The filing of a petition by or against the licensee, or any
11 authorized delegate of the licensee, under the United States Bankruptcy
12 Code (11 U.S.C. Sec. 101-110) for bankruptcy or reorganization;

13 (b) The filing of a petition by or against the licensee, or any
14 authorized delegate of the licensee, for receivership, the commencement
15 of any other judicial or administrative proceeding for its dissolution
16 or reorganization, or the making of a general assignment for the
17 benefit of its creditors;

18 (c) The commencement of a proceeding to revoke, suspend, restrict,
19 or condition its license, or otherwise discipline or sanction the
20 licensee, in a state or country in which the licensee engages in
21 business or is licensed;

22 (d) The cancellation or other impairment of the licensee's bond or
23 other security;

24 (e) A charge or conviction of the licensee or of an executive
25 officer, responsible individual, board director of the licensee, or
26 person in control of the licensee, for a felony; or

27 (f) A charge or conviction of an authorized delegate for a felony.

28 **Sec. 7.** RCW 19.230.200 and 2010 c 73 s 9 are each amended to read
29 as follows:

30 (1)(a) A money transmitter licensee shall maintain, at all times,
31 permissible investments that have a market value computed in accordance
32 with generally accepted accounting principles of not less than the
33 amount of the licensee's average outstanding money transmission
34 liability.

35 (b) For the purposes of this section, average outstanding money
36 transmission liability means the sum of the daily amounts of a

1 licensee's outstanding money transmissions, as computed each day of the
2 month divided by the number of days in the month.

3 (2) The director, with respect to any money transmitter licensee,
4 may limit the extent to which a type of investment within a class of
5 permissible investments may be considered a permissible investment,
6 except for money, time deposits, savings deposits, demand deposits, and
7 certificates of deposit issued by a federally insured financial
8 institution. The director may prescribe in rule, or by order allow,
9 other types of investments that the director determines to have a
10 safety substantially equivalent to other permissible investments.

11 **Sec. 8.** RCW 19.230.310 and 2003 c 287 s 33 are each amended to
12 read as follows:

13 The director has the authority and administrative discretion to
14 administer and interpret this chapter to fulfill the intent of the
15 legislature as expressed in RCW 19.230.005. In accordance with chapter
16 34.05 RCW, the director may issue rules under this chapter that are
17 clearly required to govern the activities of licensees and other
18 persons subject to this chapter.

Passed by the House March 7, 2013.

Passed by the Senate April 15, 2013.

Approved by the Governor May 1, 2013.

Filed in Office of Secretary of State May 1, 2013.