

RCW 30B.08.090 Additional powers of a state trust company—

Federal and interstate parity—Disallowance by director. (1)

Notwithstanding any restrictions, limitations, and requirements of law, in addition to all powers, express or implied, that a state trust company has under the laws of Washington state, a state trust company has the powers and authorities conferred as of July 28, 2019, upon a federal trust institution. A state trust company may exercise the powers and authorities conferred on a federal trust institution after this date only if the director finds that the exercise of such powers and authorities:

(a) Serves the convenience and advantage of trustors and beneficiaries, or the general public; and

(b) Maintains the fairness of competition and parity between state trust companies and federally chartered trust companies.

(2) Notwithstanding any other provisions of law, a state trust company has the trust-related and fiduciary-related powers and authorities of an out-of-state trust institution that is not a functionally unregulated out-of-state institution under RCW 30B.38.090.

(3) As used in this section, "powers and authorities" include without limitation powers and authorities in corporate governance and operational matters.

(4) The restrictions, limitations, and requirements applicable to specific powers and authorities of federally chartered trust companies and out-of-state trust institutions, as applicable, shall apply to state trust companies exercising those powers or authorities permitted under this section but only insofar as the restrictions, limitations, and requirements relate to exercising the powers or authorities granted trust companies solely under this section.

(5) Notwithstanding any other provisions of law, in addition to all powers enumerated by this title, and those necessarily implied therefrom, a state trust company may engage in other business activities that have been determined by the board of governors of the federal reserve system or by the United States congress to be closely related to the business of banking, as of July 28, 2019.

(6) A state trust company that desires to perform an activity that is not authorized by subsection (5) of this section shall first apply to the director for authorization to conduct such activity. Within thirty days of the receipt of this application, the director shall determine whether the activity is closely related to the business of banking, whether the public convenience and advantage will be promoted, whether the activity is apt to create an unsafe and unsound practice by the state trust company, and whether the applicant is capable of performing such an activity. If the director finds the activity to be closely related to the business of banking and the state trust company is otherwise qualified, he or she shall immediately inform the applicant that the activity is authorized. If the director determines that such activity is not closely related to the business of banking or that the state trust company is not otherwise qualified, he or she shall promptly inform the applicant in writing. The applicant shall have the right to appeal from an unfavorable determination in accordance with the procedures of the administrative procedure act, chapter 34.05 RCW. In determining whether a particular activity is closely related to the business of banking, the director shall consider but is not bound by the rulings

of the board of governors of the federal reserve system and the comptroller of the currency.

(7) Notwithstanding any of the powers and authorities granted to a state trust company under this section, the director may, upon written notice to a state trust company, disallow any such power or authority if the director finds that such power and authority cannot be exercised by the state trust company in a safe or sound manner. [2019 c 389 s 11; 2014 c 37 s 330.]