

# Chapter 208-544 WAC

## SCHEDULE OF COSTS OF EXAMINATIONS

(Formerly chapter 50-44 WAC)

**WAC**

- 208-544-005 Determination of collection method—Principles.
- 208-544-010 Collection of examination costs—Collection method.
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- 208-544-060 Banking fund—Minimum cash balance.

**DISPOSITION OF SECTIONS FORMERLY  
CODIFIED IN THIS CHAPTER**

- 208-544-037 Charges and fees effective June 25, 1999. [Statutory Authority: RCW 30.04.030 and 43.320.040. 01-06-024, § 208-544-037, filed 2/27/01, effective 3/30/01; 00-17-141, recodified as § 208-544-037, filed 8/22/00, effective 9/22/00. Statutory Authority: RCW 30.04.030, 30.04.070, 30.08.095, 33.04.025 and 43.320.040. 99-10-024, § 50-44-037, filed 4/28/99, effective 6/25/99.] Repealed by 01-12-003, filed 5/23/01, effective 7/1/01. Statutory Authority: RCW 30.04.030, 33.04.025, 43.320.040.
- 208-544-050 Limitations on assessments. [Statutory Authority: RCW 30.04.030 and 43.320.040. 00-17-141, amended and recodified as § 208-544-050, filed 8/22/00, effective 9/22/00. Statutory Authority: RCW 30.04.070 and 30.08.095. 91-18-054, § 50-44-050, filed 8/30/91, effective 9/30/91; 90-12-007, § 50-44-050, filed 5/25/90, effective 6/25/90.] Repealed by 01-12-003, filed 5/23/01, effective 7/1/01. Statutory Authority: RCW 30.04.030, 33.04.025, 43.320.040.

**WAC 208-544-005 Determination of collection method—Principles.** When determining a revision to the collection method, the director shall consider but not be limited to the following principles.

- (1) The revenue to be collected shall be sufficient to allow the division of banks to achieve its statutory mission to examine institutions within all required time periods.
- (2) Regulatory costs shall be apportioned in a manner consistent with the state of Washington's overall policy commitments to rural and economically distressed areas, promoting the delivery of financial services to those areas.
- (3) No industry or institution shall bear a disproportionate share of regulatory costs.
- (4) There shall be a significant correlation between assessments and examination costs across institutions.
- (5) The division of banks shall have sufficient resources to maintain a competent and motivated staff.
- (6) Such other principles as the director may deem relevant.

[Statutory Authority: RCW 30.04.030 and 43.320.040. 00-17-141, amended and recodified as § 208-544-005, filed 8/22/00, effective 9/22/00. Statutory Authority: RCW 30.04.070 and 30.08.095. 91-18-054, § 50-44-005, filed 8/30/91, effective 9/30/91.]

**WAC 208-544-010 Collection of examination costs—Collection method.** The requirement of RCW 30.04.070 and 30.08.095 that the director collect from each bank, mutual

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savings bank, stock savings bank, trust company, or industrial loan company, the costs of 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 director the authority to charge for other services rendered), 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 regular or extraordinary examinations.

[Statutory Authority: RCW 30.04.030 and 43.320.040. 00-17-141, amended and recodified as § 208-544-010, filed 8/22/00, effective 9/22/00. Statutory Authority: RCW 30.04.070 and 30.08.095. 90-12-007, § 50-44-010, filed 5/25/90, effective 6/25/90. Statutory Authority: RCW 30.04.030. 83-20-072 (Order 55), § 50-44-010, filed 10/3/83; 82-24-074 (Order 48), § 50-44-010, filed 12/1/82. Statutory Authority: RCW 34.04.070. 82-02-037 (Order 45), § 50-44-010, filed 12/31/81.]

**WAC 208-544-020 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.

The rate of such charge shall be based on the total asset value as reflected in the report of condition due for that period provided, the director may adjust such rates if the director determines that a disproportionate amount of revenue is being collected by such rate. In no event shall the amount of revenue collected from any one bank exceed one hundred thirty-three thousand four hundred ninety dollars per assessment period.

If the bank's total assets are:		The assessment is:		
Over Million	But not Over Million	This Amount	Plus	Of Excess Over Million
0	500	0	.00001408	0
500	1000	7040	.0000135	500
1000	—	13,790	.0000133	1000

- (2) Alien banks.

The rate of such charge shall be .000035189 of the total asset value as reflected in the report of condition due for that period provided, the director may adjust such rate if the director determines that a disproportionate amount of revenue is being collected by such rate.

(3) The director'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 each June and December. The asset charge shall be calculated by the financial institution and forwarded to the division of banks 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 by the time such report of condition or notice of assessment is due.

[Statutory Authority: RCW 30.04.030 and 43.320.040. 00-17-141, amended and recodified as § 208-544-020, filed 8/22/00, effective 9/22/00. Statutory Authority: RCW 43.320.010, 43.329.040 and 30.04.030. 96-04-022, § 50-44-020, filed 1/30/96, effective 3/1/96. Statutory Authority: RCW 30.04.070 and 30.08.095. 91-18-054, § 50-44-020, filed 8/30/91, effective 9/30/91; 90-12-007, § 50-44-020, filed 5/25/90, effective 6/25/90. Statutory Authority: RCW 30.04.030 and 31.04.150. 89-09-004 (Order 77), § 50-44-020, filed 4/6/89. Statutory Authority: RCW 30.04.030. 83-20-072 (Order 55), § 50-44-020, filed 10/3/83; 82-24-074 (Order 48), § 50-44-020, filed 12/1/82. Statutory Authority: RCW 34.04.070. 82-02-037 (Order 45), § 50-44-020, filed 12/31/81.]

**WAC 208-544-025 Fees paid by interstate banks. (1) Semiannual asset charge.** On December 31, 2008, and thereafter, a semiannual asset charge shall be assessed against any state bank, as defined in 12 U.S.C. sec. 1813(a), that is chartered in Washington state and operates branches in Washington and any other state, which shall not exceed the semiannual asset charge established in WAC 208-544-020.

(2) The assets subject to assessment for banks chartered by any other state, pursuant to WAC 208-544-020(1) and authorized by a signed cooperative agreement between the state bank supervisors of the home and host states, shall be determined as follows: Divide the number of branches in Washington by the total number of branches in all states including Washington and multiply the result by the asset value reflected in the most recent report of condition.

(3) **Other fees.** All other fees that normally apply to Washington-chartered banks under WAC 208-544-030 and 208-512-045 shall also be paid by banks chartered in other states.

[Statutory Authority: 2008 c 285, RCW 30.04.030, [30.04.]070, 43.320.040. 08-18-079, § 208-544-025, filed 9/3/08, effective 10/6/08. Statutory Authority: RCW 30.04.030 and 43.320.040. 01-06-024, § 208-544-025, filed 2/27/01, effective 3/30/01; 00-17-141, recodified as § 208-544-025, filed 8/22/00, effective 9/22/00. Statutory Authority: RCW 43.320.010, 43.329.040 and 30.04.030. 96-04-022, § 50-44-025, filed 1/30/96, effective 3/1/96.]

**WAC 208-544-030 Hourly fees and charges—Regular, including extraordinary examination and special examinations.** Each bank, mutual savings bank, trust company, alien bank, or industrial loan company shall pay to the director the following fees:

(1) For regular examinations, including extraordinary examinations 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 director; sixty-five dollars per hour. The director 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, ninety dollars per hour. Electronic data processing centers and trust companies are exempt from the asset assessment provisions of WAC 208-544-020(1) if such centers or companies are not a part of the assets of the bank as reported in the report of condition.

(3) The director 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.

(4) These charges shall become effective for invoicing that occurs after the effective date of this rule, provided such invoicing relates to examinations occurring on or after July 1, 1991.

[Statutory Authority: RCW 30.04.030 and 43.320.040. 00-17-141, amended and recodified as § 208-544-030, filed 8/22/00, effective 9/22/00. Statutory Authority: RCW 30.04.070 and 30.08.095. 91-18-054, § 50-44-030, filed 8/30/91, effective 9/30/91; 90-12-007, § 50-44-030, filed 5/25/90, effective 6/25/90. Statutory Authority: RCW 30.12.060. 85-19-052 (Order 62), § 50-44-030, filed 9/13/85. Statutory Authority: RCW 34.04.070. 82-02-037 (Order 45), § 50-44-030, filed 12/31/81.]

**WAC 208-544-039 Charges and fees effective October 6, 2008.** (1) Effective October 6, 2008, the rate of charges and fees under WAC 208-512-045, 208-544-020 and 208-544-030 shall be as follows:

(a) WAC 208-512-045 (1)(c) and (d) - The fee shall be \$100.00 for the issuance and filing of certificates.

(b) WAC 208-512-045 (1)(e) - The fee shall be 50 cents per page.

(c) WAC 208-512-045(2) - The fee shall be \$111.64 per employee hour expended.

(d) WAC 208-544-020(1) - The rates shall be the following:

If total assets are:			The assessment is:	
Over Million	But not Over Million	This Amount	Plus	Of Excess Over Million
0	500	0	0.000017464	0
500	1,000	8,732	0.000016746	500
1,000	10,000	17,105	0.000016495	1,000
10,000	—	165,560	.000	10,000

(e) WAC 208-544-020(2) - The rate shall be 0.04005.

(f) WAC 208-544-030(1) - The fee shall be \$80.60 per hour.

(g) WAC 208-544-030(2) - The fee shall be \$111.64 per hour.

(2) The director may waive any or all of the charges and/or fees imposed under this section, in whole or in part, when he or she determines that both of the following factors are present:

(a) The banking program fund exceeds the projected acceptable minimum fund balance level approved by the office of financial management (OFM); and

(b) That such course of action would be fiscally prudent.

(3)(a) If the charges and fees assessed under WAC 208-544-020(1) relating to a semiannual asset charge and WAC 208-544-030(1) relating to the hourly examination fee exceed ninety-five percent of the charges and fees applicable for a two-year period of the comparable federal chartering regula-

tor (CFCR) or its successor then the charges and fees paid in excess of such amount shall be rebated to the institution pursuant to (d) of this subsection unless abated by the director as provided in (e) of this subsection.

(b) For purposes of determining rebate entitlement, the total of semiannual asset charges and examination fees will be determined by adding the monthly average semiannual asset charge and the monthly average examination fee for any twenty-four month period beginning on or after July 1, 2000. The monthly average semiannual asset charge is determined by dividing the semiannual asset charges 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 CFRCR charge is determined in the same manner. Under no circumstances will an institution be permitted to calculate a rebate based on a period of time that was included, in whole or in part, in the calculation of another rebate under this section.

(c) The rebate is determined by the difference between the sum of the applicable monthly average state charges and fees for the twenty-four month period minus ninety-five percent of the sum of the applicable monthly average CFRCR charges and fees for the same period, as each are determined in (b) of this subsection.

(d) Entitlement of the rebate will occur only upon petition and satisfactory proof to the director.

(e) Rebate abatement. At the discretion of the director, all or part of the rebate determined under (d) of this subsection may be denied if the director determines that:

(i) The institution required a substantially greater than average amount of supervisory time for reasons other than as a result of economic, legal, regulatory, or other conditions beyond the control of competent management;

(ii) The institution required a substantially greater than average amount of examination time for an institution of its size for reasons other than as a result of economic, legal, regulatory, or other conditions beyond the control of competent management;

(iii) Examinations or investigations were performed by third parties under personal services contracts;

(iv) The banking program fund does not exceed the projected acceptable minimum fund balance level approved by OFM or is insufficient to satisfy the rebates under this subsection and still maintain the operations of the department at a fiscally prudent level;

(v) The institution maintained a composite uniform financial institution rating (CAMELS) of 3, 4 or 5 during any time during the rebate period; or

(vi) Such other factors as the director may deem equitable or relevant.

(f) Institutions may become eligible to receive a rebate after June 30, 2002, for amounts paid on or after July 1, 2000.

[Statutory Authority: 2008 c 285 § 30, RCW 30.04.030, 43.320.040, and 34.05.353 (1)(c). 09-15-191, § 208-544-039, filed 7/22/09, effective 8/22/09. Statutory Authority: 2008 c 285, RCW 30.04.030, [30.04.]070, 43.320.040. 08-18-079, § 208-544-039, filed 9/3/08, effective 10/6/08. Statutory Authority: RCW 30.04.030, 33.04.025, 43.320.040. 01-12-003 and 01-20-086, § 208-544-039, filed 5/23/01 and 10/2/01, effective 7/1/01 and 11/2/01. Statu-

tory Authority: RCW 30.04.030 and 43.320.040. 01-06-024, § 208-544-039, filed 2/27/01, effective 3/30/01; 00-17-141, recodified as § 208-544-039, filed 8/22/00, effective 9/22/00. Statutory Authority: RCW 30.04.030, 30.04.070, 30.08.095, 33.04.025 and 43.320.040. 99-10-024, § 50-44-039, filed 4/28/99, effective 6/25/99.]

**WAC 208-544-060 Banking fund—Minimum cash balance.** The director shall maintain a minimum cash balance in the banking fund (RCW 43.19.095) of at least one month's allotment. One month's allotment is based upon the current biennium budget divided by twenty-four months. In the event the banking fund balance drops below this figure the director shall declare the next semiannual asset assessment due; payment within thirty days of such declaration. The director shall bill each institution based on the most current report of condition and payment shall be in lieu of the next regularly scheduled asset assessment.

[Statutory Authority: RCW 30.04.030 and 43.320.040. 00-17-141, amended and recodified as § 208-544-060, filed 8/22/00, effective 9/22/00. Statutory Authority: RCW 30.04.070 and 30.08.095. 91-18-054, § 50-44-060, filed 8/30/91, effective 9/30/91.]