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**SUBSTITUTE SENATE BILL 5796**

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**State of Washington**

**53rd Legislature**

**1993 Regular Session**

**By** Senate Committee on Labor & Commerce (originally sponsored by Senators Moore and Pelz)

Read first time 03/02/93.

1 AN ACT Relating to securities; adding a new section to chapter  
2 21.20 RCW; and declaring an emergency.

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

4 NEW SECTION. **Sec. 1.** A new section is added to chapter 21.20 RCW  
5 to read as follows:

6 (1) Except as provided under subsection (2) of this section, it is  
7 unlawful for a broker-dealer, salesperson, investment adviser, or  
8 investment adviser salesperson to:

9 (a) Charge a customer a fee based on the lack of or low number of  
10 transactions in a customer's account; or

11 (b) Charge a customer a fee for transferring securities or closing  
12 or transferring an account.

13 (2) A broker-dealer, salesperson, investment adviser, or investment  
14 adviser salesperson may impose a fee specified in subsection (1) of  
15 this section if the customer has previously signed a separate document  
16 that authorizes that fee, including the dollar amount, to be charged.  
17 The separate document shall contain a disclosure in at least ten point  
18 type that contains the following or substantially similar language:

1 "Your authorization is necessary for the following fees to be charged.  
2 If you do not sign this authorization, state law prohibits these fees."

3 NEW SECTION. **Sec. 2.** This act is necessary for the immediate  
4 preservation of the public peace, health, or safety, or support of the  
5 state government and its existing public institutions, and shall take  
6 effect immediately.

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