

WSR 08-21-017
EXPEDITED RULES
BOARD OF ACCOUNTANCY

[Filed October 6, 2008, 7:39 a.m.]

Title of Rule and Other Identifying Information: WAC 4-25-782 How do I apply for an initial Washington state license through foreign reciprocity?, 4-25-791 I am a CPA-Inactive certificateholder. Prior to July 1, 2001, I held a license. How do I apply to return to my previous status as a licensee?, 4-25-792 How do I reinstate a lapsed individual license, CPA-Inactive certificate, or registration as a resident nonlicensee firm owner?, 4-25-793 If I retire my license or CPA-Inactive certificate, how do I apply to return to my previous status as a licensee or a CPA-Inactive certificateholder?, and 4-25-795 How do I reinstate a revoked or suspended license, CPA-Inactive certificate, or registration as a resident nonlicensee firm owner?

NOTICE

THIS RULE IS BEING PROPOSED UNDER AN EXPEDITED RULE-MAKING PROCESS THAT WILL ELIMINATE THE NEED FOR THE AGENCY TO HOLD PUBLIC HEARINGS, PREPARE A SMALL BUSINESS ECONOMIC IMPACT STATEMENT, OR PROVIDE RESPONSES TO THE CRITERIA FOR A SIGNIFICANT LEGISLATIVE RULE. IF YOU OBJECT TO THIS USE OF THE EXPEDITED RULE-MAKING PROCESS, YOU MUST EXPRESS YOUR OBJECTIONS IN WRITING AND THEY MUST BE SENT TO Richard C. Sweeney, CPA, Executive Director, Washington State Board of Accountancy, P.O. Box 9131, Olympia, WA 98507-9131, fax (360) 664-9194, e-mail webmaster@cpaboard.wa.gov, AND RECEIVED BY December 22, 2008.

Purpose of the Proposal and Its Anticipated Effects, Including Any Changes in Existing Rules: To amend rules containing a reference to a repealed rule.

Reasons Supporting Proposal: The board repealed WAC 4-25-756 effective September 25, 2008. The references to a repealed rule make this portion of these rules ineffective. Additionally, the board's goal with all of its rule proposals is to:

- Promote clarity.
- Ensure effective communication.
- Ensure fairness in interpretation and application of the rules.
- Promote efficiencies through minimizing gray areas.

Statutory Authority for Adoption: For WAC 4-25-782 is RCW 18.04.183; for WAC 4-25-791 and 4-25-792 is RCW 18.04.215(2); for WAC 4-25-793 is RCW 18.04.215(7); and for WAC 4-25-795 is RCW 18.04.215(2), 18.04.335.

Statute Being Implemented: Same as above.

Rule is not necessitated by federal law, federal or state court decision.

Name of Proponent: Washington state board of accountancy, governmental.

Name of Agency Personnel Responsible for Drafting, Implementation and Enforcement: Richard C. Sweeney, Olympia, WA, (360) 586-0163.

Agency Comments or Recommendations, if any, as to Statutory Language, Implementation, Enforcement, and Fiscal Matters: The language being eliminated is not essential to the main topic, context or impact of the rule either before or after this amendment.

October 6, 2008
 Richard C. Sweeney
 Executive Director

AMENDATORY SECTION (Amending WSR 05-01-135, filed 12/16/04, effective 1/31/05)

WAC 4-25-782 How do I apply for an initial Washington state license through foreign reciprocity? Pursuant to RCW 18.04.183 the board may issue a license through foreign reciprocity provided you meet the requirements for application through foreign reciprocity established by the act, WAC 4-25-781 and 4-25-830(7).

To apply for an initial Washington state CPA license, you must use the foreign reciprocity application form(s) provided by the board.

You need to fully complete the form(s), and submit the form(s), all applicable fees, required information, required documentation, or other documentation deemed necessary by the board to the board's office.

An application is not complete and cannot be processed until all fees, required information, required documentation, or other documentation deemed necessary by the board are received by the board. When the processing of your application is complete, your license will be mailed to the last address you provided to the board.

Your Washington state CPA license will expire on June 30 of the third calendar year following initial licensure.

You may not use the title CPA until you have received notice from the board that your Washington state license has been approved. ~~((With the exception of out of state sole practicing CPAs holding valid practice privileges in Washington state under WAC 4-25-756, attest services may only be offered or performed in a CPA firm licensed by the board and meeting the requirements of WAC 4-25-750.))~~

AMENDATORY SECTION (Amending WSR 05-01-137, filed 12/16/04, effective 1/31/05)

WAC 4-25-791 I am a CPA-Inactive certificateholder—Prior to July 1, 2001, I held a license—How do I apply to return to my previous status as a licensee? CPA-Inactive certificateholders who held a license at any time prior to July 1, 2001, may apply to return to their previous status as a licensee. If you are a CPA-Inactive certificateholder, you may not use the title "CPA" or "Certified Public Accountant" until you return to your previous status as a licensee.

If you hold a valid CPA-Inactive certificate, to apply to return to your previously held status as a licensee, you must use the form provided by the board and satisfy CPE requirements in WAC 4-25-830(5). An application is not complete and cannot be processed until all required information, required documentation, and other documentation deemed necessary by the board are received by the board.

To apply to return to your previous status as a licensee you must submit to the board:

(1) A complete application form including your certification, under the penalty of perjury, that you have:

(a) Not held out in public practice during the time in which you were a CPA-Inactive certificateholder; and

(b) Met the CPE requirements of WAC 4-25-830(5);

(2) Other required documentation, required information, and other documentation deemed necessary by the board.

Upon approval of your application, your license will be mailed to the last address you provided to the board.

You may not use the title CPA until you receive notice from the board that your CPA license has been approved. ~~((With the exception of out-of-state sole practicing CPAs holding valid practice privileges in Washington state under WAC 4-25-756, a licensee may only offer to provide attest services in a licensed CPA firm meeting the requirements of WAC 4-25-750.))~~

AMENDATORY SECTION (Amending WSR 05-01-137, filed 12/16/04, effective 1/31/05)

WAC 4-25-792 How do I reinstate a lapsed individual license, CPA-Inactive certificate, or registration as a resident nonlicensee firm owner? If your individual license or CPA-Inactive certificate has lapsed, you may not use the title CPA or CPA-Inactive until your individual license or CPA-Inactive certificate is reinstated by the board.

Individuals who held a valid license on June 30, 2001, and individuals obtaining a license after June 30, 2001, are not eligible to reinstate as CPA-Inactive certificateholders.

If your registration as a resident nonlicensee firm owner has lapsed, you may not be an owner of a CPA firm until your registration is reinstated by the board.

To reinstate a lapsed individual license, CPA-Inactive certificate, or registration as a nonlicensee firm owner you must use the form provided by the board and satisfy CPE requirements in WAC 4-25-830(6). An application is not complete and cannot be processed until all fees, required information, required documentation, and other documentation deemed necessary by the board are received by the board.

To reinstate, you must submit to the board:

(1) A complete reinstatement form including your certification, under the penalty of perjury, that you have:

(a) *For those who wish to reinstate a license or CPA-Inactive certificate:* Not used the title CPA or CPA-Inactive during the time in which your individual license or CPA-Inactive certificate was lapsed; or

(b) *For those who wish to reinstate a registration as a resident nonlicensee firm owner:* Not participated as an owner in a CPA firm during the time in which your registration as a resident nonlicensee firm owner was suspended or revoked; and

(c) Met the CPE requirements for reinstatement in WAC 4-25-830(6); and

(d) Met the CPE supporting documentation requirements in WAC 4-25-833;

(2) Source documents as evidence of eligibility for CPE credit for all courses claimed in order to meet CPE requirements as defined by WAC 4-25-833;

(3) A listing of all states and foreign jurisdictions in which you hold or have applied for a license, certificate, or practice privileges;

(4) All applicable fees; and

(5) Other required documents, required information, and other documentation deemed necessary by the board.

Upon approval of your reinstatement, notice that your license, registration as a resident nonlicensee firm owner, or CPA-Inactive certification has been reinstated will be mailed to the last address you provided to the board. Your license, CPA-Inactive certificate, or registration as a nonlicensee firm owner will expire on June 30th of the third calendar year following approval of the reinstatement. The CPE reporting period for your next renewal begins on January 1 of the calendar year in which the reinstatement of your license, CPA-Inactive certificate, or registration as a nonlicensee firm owner was approved by the board and ends on December 31 of the second calendar year following approval of the reinstatement. CPE credit hours utilized to qualify for reinstatement cannot be utilized for this CPE reporting period.

You may not use the title CPA or CPA-Inactive until your reinstatement application has been approved.

~~((With the exception of out-of-state sole practicing CPAs holding valid practice privileges in Washington state under WAC 4-25-756, attest services may only be performed in a CPA firm licensed by the board and meeting the requirements of WAC 4-25-750.))~~

AMENDATORY SECTION (Amending WSR 05-01-137, filed 12/16/04, effective 1/31/05)

WAC 4-25-793 If I retire my license or CPA-Inactive certificate, how do I apply to return to my previous status as a licensee or a CPA-Inactive certificateholder? If you notified the board that you wish to retire your license or CPA-Inactive certificate prior to the end of your renewal cycle, pursuant to RCW 18.04.215(7), you may renew your license or CPA-Inactive certificate at a later date and are not subject to the requirements of reinstatement; however, you may not use the title CPA or CPA-Inactive or exercise the privileges related to those titles until you return to your previous status.

To apply to return to your previously held status as either a licensee or a CPA-Inactive certificateholder you must use the form(s) provided by the board and satisfy CPE requirements in WAC 4-25-830(4). An application is not complete and cannot be processed until all fees, required information, required documentation, or other documentation deemed necessary by the board are received by the board.

If you previously held a license, you are not eligible to apply for CPA-Inactive certificateholder status.

To apply to return to your previous status, you must submit to the board:

(1) A complete application form including your certification, under the penalty of perjury, that you have:

(a) Not used the title CPA or CPA-Inactive during the time in which your license or CPA-Inactive certificate was retired; and

(b) Met the CPE requirements to return to your previous status in WAC 4-25-830(4);

(2) All applicable fees; and

(3) Other required documentation, required information, or other documentation deemed necessary by the board.

Upon approval of your application, your license or notification of your status as a CPA-Inactive certificateholder will be mailed to the last address you provided to the board. Your license or CPA-Inactive certificate will expire on June 30th of the third calendar year following approval of the renewal. The CPE reporting period for your next renewal begins on January 1 of the calendar year in which the renewal of your retired license or CPA-Inactive certificate was approved by the board and ends on December 31 of the second calendar year following approval of the renewal. CPE credit hours utilized to qualify for renewal of a retired license or CPA-Inactive certificate cannot be utilized for this CPE reporting period.

You may not use the title CPA or CPA-Inactive until your renewal application has been approved.

~~((With the exception of out of state sole practicing CPAs holding valid practice privileges in Washington state under WAC 4-25-756, attest services may only be performed in a CPA firm licensed by the board and meeting the requirements of WAC 4-25-750.))~~

AMENDATORY SECTION (Amending WSR 05-01-137, filed 12/16/04, effective 1/31/05)

WAC 4-25-795 How do I reinstate a revoked or suspended license, CPA-Inactive certificate, or registration as a resident nonlicensee firm owner? If your license or CPA-Inactive certificate was revoked or suspended by the board pursuant to the act, you may not use the title CPA or CPA-Inactive until your license or CPA-Inactive certificate is reinstated by the board.

If your registration as a resident nonlicensee firm owner was revoked or suspended by the board pursuant to the act, you may not be a firm owner until your registration is reinstated by the board.

You may request that the board modify the suspension or revocation after three years have elapsed from the effective date of the board's order revoking or suspending your license or CPA-Inactive certificate unless the board sets some other period by order. However, if you made a previous request with respect to the same order, no additional request will be considered before the lapse of an additional three years following the board's decision on the last such previous application.

To request reinstatement of a revoked or suspended license, CPA-Inactive certificate, or registration as a resident nonlicensee firm owner you must use the form provided by the board and satisfy CPE requirements in WAC 4-25-830(6). A request is not complete and cannot be processed until all fees, required information, required documentation, and other documentation deemed necessary by the board are received by the board.

To request reinstatement, you must submit to the board:

(1) A complete reinstatement form including your certification under the penalty of perjury, that you have:

(a) *For those who wish to reinstate a license or CPA-Inactive certificate:* Not used the title CPA during the time in which your license or CPA-Inactive certificate was suspended or revoked; or

(b) *For those who wish to reinstate a registration as a resident nonlicensee firm owner:* Not participated as an owner in a CPA firm during the time in which your registration as a resident nonlicensee firm owner was suspended or revoked; and

(c) Met the CPE requirements for reinstatement in WAC 4-25-830(6); and

(d) Met the CPE supporting documentation requirements in WAC 4-25-833;

(2) A listing of all states and foreign jurisdictions in which you hold or have applied for a license, CPA-Inactive certificate, permit, or practice privilege under substantial equivalence;

(3) All applicable fees;

(4) Source documents as evidence of eligibility for CPE credit for all courses claimed in order to meet CPE requirements as defined by WAC 4-25-833;

(5) Written substantiation of the reasons constituting good cause for the reinstatement;

(6) Two supporting recommendations, under penalty of perjury, from licensees who have personal knowledge of your activities since the suspension or revocation was imposed; and

(7) Other required documentation, required information, and other documentation deemed necessary by the board.

In considering the reinstatement application, the board may consider all relevant factors, including but not limited to:

(a) The offense for which you were disciplined;

(b) Your activities since the disciplinary penalty was imposed;

(c) Your activities during the time the license, CPA-Inactive certificate, or registration as a resident nonlicensee firm owner was in good standing;

(d) Your rehabilitative efforts;

(e) Restitution to damaged parties in the matter for which the penalty was imposed; and

(f) Your general reputation for truth and professional ethics.

If the board decides to consider the merits of your application for reinstatement, in the board's discretion, a hearing may be held following such procedures as the board deems suitable for the particular case. If the board decides that it will not consider the merits of your application for reinstatement, then this constitutes final agency action and there is no further administrative review available to you. As a condition of reinstatement, the board may impose such terms and conditions as it deems suitable.

The board will not consider a request for reinstatement while you are under sentence for any criminal offense, including any period during which you are on court-imposed probation or parole.

Upon approval of your application, your license, notification of your status as a CPA-Inactive certificateholder, or registration as a resident nonlicensee firm owner will be mailed to the last address you provided to the board. Your license, CPA-Inactive certificate, or registration will expire

on June 30th of the third calendar year following approval of the reinstatement. The CPE reporting period for your next renewal begins on January 1 of the calendar year in which the reinstatement of your license, CPA-Inactive certificate, or registration was approved by the board and ends on December 31 of the second calendar year following approval of the reinstatement. CPE credit hours utilized to qualify for reinstatement of a license, CPA-Inactive certificate, or registration cannot be utilized for this CPE reporting period.

You may not use the title CPA or CPA-Inactive until your reinstatement application has been approved.

~~((With the exception of out-of-state sole practicing CPAs holding valid practice privileges in Washington state under WAC 4-25-756, attest services may only be performed in a CPA firm licensed by the board and meeting the requirements of WAC 4-25-750.))~~

WSR 08-21-077

EXPEDITED RULES

EMPLOYMENT SECURITY DEPARTMENT

[Filed October 14, 2008, 9:31 a.m.]

Title of Rule and Other Identifying Information: WAC 192-310-160 describes the procedures by which corporations can exempt their officers from unemployment insurance coverage beginning January 1, 2009.

NOTICE

THIS RULE IS BEING PROPOSED UNDER AN EXPEDITED RULE-MAKING PROCESS THAT WILL ELIMINATE THE NEED FOR THE AGENCY TO HOLD PUBLIC HEARINGS, PREPARE A SMALL BUSINESS ECONOMIC IMPACT STATEMENT, OR PROVIDE RESPONSES TO THE CRITERIA FOR A SIGNIFICANT LEGISLATIVE RULE. IF YOU OBJECT TO THIS USE OF THE EXPEDITED RULE-MAKING PROCESS, YOU MUST EXPRESS YOUR OBJECTIONS IN WRITING AND THEY MUST BE SENT TO Juanita Myers, Employment Security Department, P.O. Box 9046, Olympia, WA 98507-9046, AND RECEIVED BY December 23, 2008.

Purpose of the Proposal and Its Anticipated Effects, Including Any Changes in Existing Rules: The proposed change clarifies that only the exempted officers of a private corporation must be related by blood or marriage.

Reasons Supporting Proposal: The rule is clarified to show that a private company may exempt an unlimited number of corporate officers if the officers exempted are related by blood or marriage. It is not required that all officers of the corporation be related by blood or marriage whether exempted or not.

Statutory Authority for Adoption: RCW 50.12.010 and 50.12.040.

Statute Being Implemented: RCW 50.04.165.

Rule is not necessitated by federal law, federal or state court decision.

Name of Proponent: Employment security department, governmental.

Name of Agency Personnel Responsible for Drafting: Juanita Myers, 212 Maple Park, Olympia, (360) 902-9665;

Implementation and Enforcement: Nan Thomas, 212 Maple Park, Olympia, (360) 902-9303.

October 10, 2008

Paul Trause

Deputy Commissioner

AMENDATORY SECTION (Amending WSR 07-23-127, filed 11/21/07, effective 1/1/09)

WAC 192-310-160 How may corporations exempt corporate officers from unemployment insurance coverage?

(1) Subject to RCW 50.04.165 and the other requirements of this section, a corporation may exempt one or more corporate officers from coverage by notifying the department on a form approved by the department. The form must be signed by each exempted officer. Unless the corporate officer exempted is the only officer of the corporation, the form must also be signed by another corporate officer verifying the decision to be exempt from coverage.

(2) The election to exempt corporate officers is effective immediately if made when the corporation first registers with the department as an employer under RCW 50.12.070. If the election to exempt corporate officers is made after that, the exemption is effective on January 1 of the following calendar year. The corporation must send written notice to the department by January 15 for the exemption to be effective on January 1 of that year. The exemption is not effective until filed with the department and will not be applied retroactively, except for the period from January 1 to January 15 if the notice is sent by January 15. A corporation is not eligible for refund or credit for periods before the effective date of the exemption.

(3) A public company as defined in RCW 23B.01.400 may exempt any bona fide corporate officer:

(a) Who is voluntarily elected or voluntarily appointed under the articles of incorporation or bylaws of the corporation;

(b) Who is a shareholder of the corporation;

(c) Who exercises substantial control in the daily management of the corporation; and

(d) Whose primary responsibilities do not include the performance of manual labor.

(4) A corporation that is not a public company may exempt eight or fewer bona fide corporate officers who voluntarily agree to be exempted from coverage and sign a form approved by the department verifying this. These corporate officers must be voluntarily elected or voluntarily appointed under the articles of incorporation or bylaws of the corporation and must exercise substantial control in the daily management of the corporation.

(5) A corporation that is not a public company may exempt any number of corporate officers if all exempted officers of the corporation are related by blood within the third degree or by marriage to a person related by blood within the third degree. If any of the corporate officers fail to qualify for this exemption because they are not related by blood or marriage as required, then none of the corporate officers may qualify under this subsection, although they may still qualify under subsection (4) of this section. This is an

alternative and not an addition to exemptions under subsection (4) of this section.

For example, a husband and wife, their biological or adopted children or stepchildren, grandchildren, and great grandchildren, their brothers and sisters, their nephews and nieces, and the spouses of any of these people could qualify for exemption as corporate officers under this section without being limited to eight individuals. However, if any of the corporate officers exempted do not meet this test, then this subsection does not apply.

(6) This section does not apply to officers of a corporation covered by chapter 50.44 RCW (some nonprofit or government organizations) or chapter 50.50 RCW (Indian tribes).

WSR 08-21-093

EXPEDITED RULES

SUPERINTENDENT OF PUBLIC INSTRUCTION

[Filed October 15, 2008, 12:18 p.m.]

Title of Rule and Other Identifying Information: WAC 392-300-035 Request for record check information.

NOTICE

THIS RULE IS BEING PROPOSED UNDER AN EXPEDITED RULE-MAKING PROCESS THAT WILL ELIMINATE THE NEED FOR THE AGENCY TO HOLD PUBLIC HEARINGS, PREPARE A SMALL BUSINESS ECONOMIC IMPACT STATEMENT, OR PROVIDE RESPONSES TO THE CRITERIA FOR A SIGNIFICANT LEGISLATIVE RULE. IF YOU OBJECT TO THIS USE OF THE EXPEDITED RULE-MAKING PROCESS, YOU MUST EXPRESS YOUR OBJECTIONS IN WRITING AND THEY MUST BE SENT TO Charles Schreck, Director, Office of Superintendent of Public Instruction (OSPI), P.O. Box 47200, Olympia, WA 98504-7200, AND RECEIVED BY December 22, 2008.

Purpose of the Proposal and Its Anticipated Effects, Including Any Changes in Existing Rules: The WAC refers to RCW 42.17.290. That RCW was recodified as RCW 42.56.100.

Statutory Authority for Adoption: RCW 28A.400.303.

Rule is not necessitated by federal law, federal or state court decision.

Name of Proponent: [OSPI], governmental.

Name of Agency Personnel Responsible for Drafting and Implementation: Charles Schreck, Office of Professional Practices, (360) 725-6130; and Enforcement: Martin Mueller, Student Support, (360) 725-6175.

October 15, 2008
Dr. Terry Bergeson
Superintendent of
Public Instruction

AMENDATORY SECTION (Amending Order 96-12, filed 8/19/96, effective 9/19/96)

WAC 392-300-035 Requests for record check information. In accordance with the requirements of RCW ((42-17-290)) 42.56.100 that agencies prevent unreasonable invasions of privacy, protect public records from damage or disorganization, and prevent excessive interference with essential functions of the agency, record check information is obtainable by district employees or applicants to whom it pertains when they comply with the following procedures:

A request shall be made in writing. The written request shall be presented to the fingerprint records office of the superintendent of public instruction during customary office hours or may be mailed or faxed to the office. The request shall include the following information:

- (1) The name of the person requesting the record;
- (2) The time of day and the calendar date on which the request was made;
- (3) The nature of the request;
- (4) Height, weight and date of birth of individual fingerprinted; and
- (5) Social Security number of individual fingerprinted (optional).

WSR 08-21-139

EXPEDITED RULES

DEPARTMENT OF FISH AND WILDLIFE

[Filed October 20, 2008, 4:56 p.m.]

Title of Rule and Other Identifying Information: WAC 220-44-035 Highly migratory species fisheries—Possession and landing requirements—Gear restriction.

NOTICE

THIS RULE IS BEING PROPOSED UNDER AN EXPEDITED RULE-MAKING PROCESS THAT WILL ELIMINATE THE NEED FOR THE AGENCY TO HOLD PUBLIC HEARINGS, PREPARE A SMALL BUSINESS ECONOMIC IMPACT STATEMENT, OR PROVIDE RESPONSES TO THE CRITERIA FOR A SIGNIFICANT LEGISLATIVE RULE. IF YOU OBJECT TO THIS USE OF THE EXPEDITED RULE-MAKING PROCESS, YOU MUST EXPRESS YOUR OBJECTIONS IN WRITING AND THEY MUST BE SENT TO Lori Preuss, Rules Coordinator, Department of Fish and Wildlife, 600 Capitol Way North, Olympia, WA 98501-1091, AND RECEIVED BY December 22, 2008.

Purpose of the Proposal and Its Anticipated Effects, Including Any Changes in Existing Rules: The purpose of this proposal is to correct a reference to the Code of Federal Regulations (C.F.R.) for highly migratory species. The rule currently refers to C.F.R. Title 50, Part 660, Subpart G. It should be Subpart K. This proposal is not likely to affect current industry practices; participants in the fishery already know the gear restriction and the possession and landing requirements for highly migratory species.

Reasons Supporting Proposal: This rule amendment is technical in nature and corrects a typographical error. If any of the fishery participants violates the rule, this proposal will allow officers to enforce the rule.

Statutory Authority for Adoption: RCW 77.65.010, 77.12.047, and 77.04.020.

Statute Being Implemented: RCW 77.65.010, 77.12.-047, and 77.04.020.

Rule is necessary because of federal law, C.F.R. Title 50, Part 660, Subpart K.

Name of Proponent: Washington department of fish and wildlife, governmental.

Name of Agency Personnel Responsible for Drafting: Lori Preuss, 1111 Washington Street S.E., Olympia, WA, (360) 902-2930; Implementation: Deputy Chief Mike Cenci, 1111 Washington Street S.E., Olympia, WA, (360) 902-2938; and Enforcement: Chief Bruce Bjork, 1111 Washington Street S.E., Olympia, WA, (360) 902-2929.

October 20, 2008

Loreva M. Preuss
Rules Coordinator

AMENDATORY SECTION (Amending Order 07-279, filed 11/7/07, effective 12/8/07)

WAC 220-44-035 Highly migratory species fisheries—Possession and landing requirements—Gear restriction.

(1) It is unlawful to possess, transport through the waters of the state, or land into any Washington port, highly migratory species taken in violation of any permit or data collection requirements as published in the Code of Federal Regulations (CFR), Title 50, Part 660, Subpart ((G)) K. These federal regulations provide the requirements for highly migratory species fisheries in the Pacific Ocean. There may be additional regulations listed in the Federal Register, and these override the regulations in the CFR if there are any inconsistencies between the two. Chapter 220-44 WAC incorporates the CFR by reference and is based, in part, on the CFR. Where rules refer to the fishery management area, that area is extended to include Washington state waters coterminous with the Exclusive Economic Zone. A copy of the federal rules may be obtained by contacting Lori Preuss at 360-902-2930, or the internet at www.pccouncil.org. State regulations may apply that are more restrictive than federal regulations.

(2) Except as authorized under the federal rules referenced in this subsection, it is unlawful to use drift gill net gear in state and offshore waters west of the Bonilla-Tatoosh line, north of the Washington-Oregon boundary, and south of the United States-Canada boundary.

(3) Violation of reporting requirements under this section is punishable pursuant to RCW 77.15.280.

(4) Violation of gear requirements under this section is punishable pursuant to RCW 77.15.520.

WSR 08-21-159

EXPEDITED RULES

OFFICE OF

INSURANCE COMMISSIONER

[Insurance Commissioner No. R 2008-26—Filed October 22, 2008, 8:31 a.m.]

Title of Rule and Other Identifying Information:
Requests for permitted accounting practice.

NOTICE

THIS RULE IS BEING PROPOSED UNDER AN EXPEDITED RULE-MAKING PROCESS THAT WILL ELIMINATE THE NEED FOR THE AGENCY TO HOLD PUBLIC HEARINGS, PREPARE A SMALL BUSINESS ECONOMIC IMPACT STATEMENT, OR PROVIDE RESPONSES TO THE CRITERIA FOR A SIGNIFICANT LEGISLATIVE RULE. IF YOU OBJECT TO THIS USE OF THE EXPEDITED RULE-MAKING PROCESS, YOU MUST EXPRESS YOUR OBJECTIONS IN WRITING AND THEY MUST BE SENT TO Kacy Scott, Insurance Commissioner, P.O. Box 40258, Olympia, WA 98504-0258, e-mail Kacys@oic.wa.gov, AND RECEIVED BY December 23, 2008.

Purpose of the Proposal and Its Anticipated Effects, Including Any Changes in Existing Rules: These proposed rules set forth the requirements and procedures for a domestic insurer to obtain the insurance commissioner's approval to use a permitted accounting practice in filing its annual and quarterly financial statements with the commissioner.

Reasons Supporting Proposal: Domestic insurance companies must prepare and file their annual and quarterly financial statements with the commissioner according to state law and the National Association of Insurance Commissioner (NAIC) Accounting Practices and Procedures Manual. If the insurer wishes to use an accounting practice that differs from state law and/or the NAIC manual the commissioner's prior approval is required. The NAIC manual requires that the commissioner notify the NAIC and other states' insurance commissioners when such a permitted accounting practice is being used by a Washington domestic insurer. The manual also requires that the commissioner include certain information in this notice. Providing this notice and information will provide greater transparency to the insurance buying public as to a Washington domestic insurance company's financial status.

Statutory Authority for Adoption: RCW 48.02.060, 48.44.050, 48.46.200.

Statute Being Implemented: RCW 48.05.073, 48.12.010 (12), 48.12.050, 48.12.170, 48.12.180, 48.13.030, 48.13.160, 48.13.170, 48.13.250, 48.13.270, 48.36A.260, 48.43.097, 48.44.095, 48.46.080, 48.125.090.

Rule is not necessitated by federal law, federal or state court decision.

Name of Proponent: Mike Kreidler, insurance commissioner, governmental.

Name of Agency Personnel Responsible for Drafting: Jim Tompkins, P.O. Box 40258, Olympia, WA 98504-0258, (360) 725-7036; Implementation and Enforcement: Dennis

Julnes, P.O. Box 40255, Olympia, WA 98504-0255, (360) 725-7209.

October 22, 2008
Mike Kreidler
Insurance Commissioner

PERMITTED ACCOUNTING PRACTICES

NEW SECTION

WAC 284-07-500 Definitions. For purposes of this rule:

(1) A "permitted accounting practice" is an accounting practice that departs from the National Association of Insurance Commissioners (NAIC) *Accounting Practices and Procedures Manual* or state prescribed accounting practices, and has been approved in writing by the commissioner.

(2) "State prescribed accounting practices" are those accounting practices that are incorporated directly or by reference by Titles 48 RCW and 284 WAC applicable to domestic insurers.

(3) A "domestic insurer" includes an entity organized under the laws of this state as an insurer authorized under chapter 48.05 RCW, a fraternal benefit society licensed under chapter 48.36A RCW, a health care service contractor registered under chapter 48.44 RCW, a health maintenance organization registered under chapter 48.46 RCW, a self-funded multiple employer welfare arrangement authorized under chapter 48.125 RCW, or other entity regulated under Title 48 RCW and required to comply with the NAIC *Accounting Practices and Procedures Manual* and state prescribed accounting practices.

NEW SECTION

WAC 284-07-510 Prior approval required for a domestic insurer to use permitted accounting practice. (1) If a domestic insurer wishes to use a permitted accounting practice, the domestic insurer must obtain prior written approval of the permitted accounting practice from the commissioner.

(2) An insurer must submit its request for a permitted accounting practice to the commissioner in writing.

(3) A request for a permitted accounting practice must be received by the commissioner more than thirty days prior to its proposed effective date and may not be used until thirty days after the commissioner has approved the practice in writing. For good cause shown, the commissioner may reduce either time period.

(4) Instructions as to how and where a domestic insurer must send its request for a permitted accounting practice to the commissioner may be found on the commissioner's web site at www.insurance.wa.gov.

(5) The insurer may not implement any permitted practice prior to written approval by the commissioner.

(6) An insurer may use only those permitted accounting practices which have been specifically approved for that insurer and only for the time period permitted by the commissioner.

NEW SECTION

WAC 284-07-520 Information to be included in a permitted accounting practice request. A request for a permitted accounting practice must contain, at a minimum, all of the following information:

(1) The proposed effective date and the date of the first filed financial statement in which the proposed permitted accounting practice will be reported;

(2) A detailed description of the permitted accounting practice being requested, including specific citation to the NAIC *Accounting Practices and Procedures Manual* or state prescribed accounting practices from which the proposed permitted accounting practice will depart;

(3) The periods, if any, in which the proposed permitted accounting practice was previously in effect;

(4) The period in which the proposed permitted accounting practice will be effective (e.g., specific beginning and ending dates);

(5) Specific identification of each financial statement line item and its respective impact from the proposed permitted accounting practice. The respective impact must compare the financial statements prepared in accordance with RCW 48.05.073, 48.36A.263, 48.43.097, or 48.125.090(2) and financial statements incorporating the permitted accounting practices;

(6) The total financial impact on the capital and surplus of the proposed permitted accounting practice and any other previously granted permitted accounting practices. The total impact must compare the financial statements prepared in accordance with RCW 48.05.073, 48.36A.263, 48.43.097, or 48.125.090(2) and financial statements incorporating the permitted accounting practice; and

(7) The capital and surplus effect of the proposed permitted accounting practice, on a legal entity basis, on the domestic insurer, its ultimate and intermediate parents and all affiliated United States insurers. The capital and surplus effect must compare the financial statements prepared in accordance with RCW 48.05.073, 48.36A.263, 48.43.097, or 48.125.090(2) and financial statements incorporating the permitted accounting practice on a legal entity basis on the domestic insurer, its ultimate and intermediate parents and all affiliated United States insurers.

NEW SECTION

WAC 284-07-530 Expiration of a permitted accounting practice. The commissioner may only approve a request to use a permitted accounting practice for up to one calendar year. All permitted practices will expire no later than December 31. An insurer wishing to continue the permitted practice must file a new permitted practice request with the commissioner. Permitted accounting practices that were previously approved by the commissioner that remain in effect as of the effective date of this rule which do not have a specific termination date will expire upon any change of control of the insurer or December 31, 2010, whichever occurs first.

WSR 08-21-164
EXPEDITED RULES
PUBLIC DISCLOSURE COMMISSION

[Filed October 22, 2008, 10:48 a.m.]

Title of Rule and Other Identifying Information: WAC 390-16-071 Annual report of major contributors and persons making independent expenditures and 390-19-020 Electronic filing—Mandatory filing. WAC 390-16-071 is the PDC form C-7 which is to be filed annually by entities contributing over \$16,000 in the aggregate to state election campaigns or making independent expenditures totaling over \$800 for political advertising. WAC 390-19-020 outlines the mandatory electronic filing process and which software can be used to comply with the statute.

NOTICE

THIS RULE IS BEING PROPOSED UNDER AN EXPEDITED RULE-MAKING PROCESS THAT WILL ELIMINATE THE NEED FOR THE AGENCY TO HOLD PUBLIC HEARINGS, PREPARE A SMALL BUSINESS ECONOMIC IMPACT STATEMENT, OR PROVIDE RESPONSES TO THE CRITERIA FOR A SIGNIFICANT LEGISLATIVE RULE. IF YOU OBJECT TO THIS USE OF THE EXPEDITED RULE-MAKING PROCESS, YOU MUST EXPRESS YOUR OBJECTIONS IN WRITING AND THEY MUST BE SENT TO Doug Ellis, Public Disclosure Commission, P.O. Box 40908, Olympia, WA 98504-0908, AND RECEIVED BY December 22, 2008.

Purpose of the Proposal and Its Anticipated Effects, Including Any Changes in Existing Rules: Amend WAC 390-16-071 to apply the dollar changes adopted by the commission in WAC 390-24-301. This change will increase the dollar thresholds from \$1,500 to \$2,000 on PDC form C-7 for reportable compensation provided state elected officials and their immediate family members and for payments to entities in which state elected officials or their immediate family are an officer or hold a financial interest.

Amend WAC 390-19-020 to change the reference to the Washington electronic disclosure system (WEDS), as the software application provided free of charge by the PDC, and replacing it with online reporting of campaign activity (ORCA).

Reasons Supporting Proposal: Update rules with minor revisions and clarify reporting requirements for filers.

Statutory Authority for Adoption: RCW 42.17.370 and 42.17.180 (1)(h).

Statute Being Implemented: RCW 42.17.180 and 42.17.3691.

Rule is not necessitated by federal law, federal or state court decision.

Name of Proponent: Public disclosure commission, governmental.

Name of Agency Personnel Responsible for Drafting and Implementation: Doug Ellis, 711 Capitol Way, Room 206, Olympia, WA, (360) 664-2735; and Enforcement: Phil Stutzman, 711 Capitol Way, Room 206, Olympia, WA, (360) 753-1111.

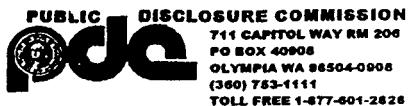
October 22, 2008
 Vicki Rippie
 Executive Director

AMENDATORY SECTION (Amending WSR 02-01-015, filed 12/7/01, effective 1/7/02)

WAC 390-16-071 Annual report of major contributors and persons making independent expenditures. (1) Any person, other than an individual (a) who made contributions to state office candidates and statewide ballot proposition committees totaling more than the aggregate amount during the preceding calendar year for contributions referenced in WAC 390-05-400, code section .180(1), or (b) who made independent expenditures regarding state office candidates and statewide ballot propositions totaling more than the aggregate amount during the preceding calendar year for independent expenditures referenced in WAC 390-05-400, code section .180(1), shall file with the commission an annual report required pursuant to RCW 42.17.180. This report shall not be required of a lobbyist employer filing an annual L-3 report pursuant to RCW 42.17.180 or of a candidate's authorized committee or a political committee provided the information has been properly reported pursuant to RCW 42.17.080 and .090.

(2) The report is entitled "Special Political Expenditures" and is designated "C-7" revised (~~1/02~~) 12/08.

((STRICKEN GRAPHIC



Special Political Expenditures

C7

P
O
C
E
S
S
I
O
N

1. Name (Use complete company, association, union or entity name.)

1/02

Attention (Identify person to whom inquiries about the information below should be directed.)

Mailing Address

Telephone

()

City

State

Zip + 4

THIS REPORT MUST BE FILED BY THE LAST DAY OF FEBRUARY. Disclose all payments or expenditures the reporting entity made and accrued during the previous calendar year for the types of activities described below. Complete each section. Use "none" or "0" when appropriate. Follow the directions on the attached instructions.

Summary of Expenditures

Amount

- 2. Political contributions to candidates for legislative or statewide executive office, committees supporting or opposing these candidates, or committees supporting or opposing statewide ballot measures. Also complete Item 8.
a. Aggregate contributions made by the filer.
b. If contributions were made by a political committee associated, affiliated or sponsored by the employer, show the PAC name below. (Information reported by the PAC on C-4 reports need not be again included as part of this report.)
Name of PAC
3. Independent expenditures supporting or opposing a candidate for legislative or statewide executive office or a statewide ballot measure. Show aggregate amount. Also complete Item 9.
4. Expenditures for entertainment, gifts, tickets, passes, transportation and travel expenses (including meals, lodging and related expenses) provided to legislators, state officials, state employees and members of their immediate families. Show aggregate amount. Also complete Item 10.
5. Expenditures to or on behalf of legislators, state officials, their spouses and dependents for the purpose of influencing, honoring or benefiting the legislator or official. Show aggregate amount. Also complete Item 13.
6. Other expenditures related to lobbying state officials, whether payment is made to, through or on behalf of a registered lobbyist. Attach list itemizing each expense. Show date, recipient, purpose and amount.

7. Total Reportable Expenses (Items 2 thru 6)

Itemized Expenditures

8. Contributions totaling over \$25 to a legislative or statewide executive office candidate, a committee formed to support or oppose one of these candidates or a committee supporting or opposing a statewide ballot measure.

Name of Recipient

Amount

Date

Information continued on attached pages

CONTINUE ON REVERSE

STRICKEN GRAPHIC))

((STRICKEN GRAPHIC

9. Independent expenditures in support of or opposition to a legislative or statewide executive office candidate or b) a statewide ballot measure. See instructions for definition of "independent expenditure."

Candidate's Name, Office Sought & Party or Ballot Measure & Brief Description	Amount	Date and Description of Expense (Note if Support or Oppose)
---	--------	---

Information continued on attached pages

10. Entertainment, gifts, tickets, passes, transportation and travel expenses (including meals, lodging and related expenses) provided to legislators, state officials, state employees and members of their immediate families.

Name and Title	Cost or Value	Date and Description of Entertainment, Gift or Travel
----------------	---------------	---

Information continued on attached pages

11. Compensation of \$1,500 or more during the preceding calendar year for employment or professional services paid to state elected officials, successful candidates for state office and each member of their immediate families.

Name	Relationship to Candidate or Official, if Family Member	Amount (Code)	Description of Consideration or Services Exchanged for Compensation
------	---	---------------	---

Information continued on attached pages

12. Compensation of \$1,500 or more during the preceding calendar year for professional services paid to any corporation, partnership, joint venture, association or other entity in which state elected official, successful state candidate or member of their immediate family holds office, partnership, directorship or ownership interest of 10% or more.

Firm Name	Person's Name	Amount (Code)	Description of Consideration or Services Exchanged for Compensation
-----------	---------------	---------------	---

Information continued on attached pages

13. Any expenditure, not otherwise reported, made directly or indirectly to a state elected official, successful candidate for state office or member of their immediate family, if made to honor, influence or benefit the person because of his or her official position.

Name	Amount	Date and Description of Expense
------	--------	---------------------------------

Information continued on attached pages

14. This report must be certified by the president, secretary-treasurer or similar officer of reporting entity.

Certification: I certify that this report is true, complete and correct to the best of my knowledge.	Signature of Officer	Date
--	----------------------	------

Printed Name and Title of Officer:

STRICKEN GRAPHIC))

PUBLIC DISCLOSURE COMMISSION

 711 CAPITOL WAY RM 206
 PO BOX 40908
 OLYMPIA WA 98504-0908
 (360) 753-1111
 TOLL FREE 1-877-601-2828

Special Political Expenditures

C7
12/08

PDC OFFICE USE

1. Name (Use complete company, association, union or entity name.)

 Attention (Identify person to whom inquiries about the information below should be directed.)

 Mailing Address _____ Telephone _____
 () - _____
 City _____ State _____ Zip + 4 _____

THIS REPORT MUST BE FILED BY THE LAST DAY OF FEBRUARY. Disclose all payments or expenditures the reporting entity made and accrued during the previous calendar year for the types of activities described below. Complete all sections. Use "none" or "0" when applicable. Follow the directions on the attached instructions.

Summary of Expenditures

Amount

- 2. Political contributions to candidates for legislative or statewide executive office, committees supporting or opposing these candidates, or committees supporting or opposing statewide ballot measures. Also complete Item 8.
 - a. Aggregate contributions made by the filer. _____
 - b. If contributions were made by a political committee associated, affiliated or sponsored by the employer, show the PAC name below. (Information reported by the PAC on C-4 reports need not be again included as part of this report.)
 Name of PAC _____
 - 3. Independent expenditures supporting or opposing a candidate for legislative or statewide executive office or a statewide ballot measure. Show aggregate amount. Also complete Item 9. _____
 - 4. Expenditures for entertainment, gifts, tickets, passes, transportation and travel expenses (including meals, lodging and related expenses) provided to legislators, state officials, state employees and members of their immediate families. Show aggregate amount. Also complete Item 10. _____
 - 5. Expenditures to or on behalf of legislators, state officials, their spouses and dependents for the purpose of influencing, honoring or benefiting the legislator or official. Show aggregate amount. Also complete Item 13. _____
 - 6. Other expenditures related to lobbying state officials, whether payment is made to, through or on behalf of a registered lobbyist. Attach list itemizing each expense. Show date, recipient, purpose and amount. _____
- 7. Total Reportable Expenses**
(Items 2 thru 6) _____

Itemized Expenditures

- 8. Contributions totaling over \$25 to a legislative or statewide executive office candidate, a committee formed to support or oppose one of these candidates or a committee supporting or opposing a statewide ballot measure.

Name of Recipient	Amount	Date
	\$	

Information continued on attached pages

9. Independent expenditures in support of or opposition to a) a legislative or statewide executive office candidate or b) a statewide ballot measure. See instructions for definition of "independent expenditure."

Candidate's Name, Office Sought & Party or Ballot Measure & Brief Description	Amount \$	Date and Description of Expense (Note if Support or Oppose)
<input type="checkbox"/> Information continued on attached pages		

10. Entertainment, gifts, tickets, passes, transportation and travel expenses (including meals, lodging and related expenses) provided to legislators, state officials, state employees and members of their immediate families.

Name and Title	Cost or Value \$	Date and Description of Entertainment, Gift or Travel
<input type="checkbox"/> Information continued on attached pages		

11. Compensation of \$2,000 or more during the preceding calendar year for employment or professional services paid to state elected officials, successful candidates for state office and each member of their immediate family.

Name	Relationship to Candidate or Official, if Family Member	Amount (Code)	Description of Consideration or Services Exchanged for Compensation
<input type="checkbox"/> Information continued on attached pages			

12. Compensation of \$2,000 or more during the preceding calendar year for professional services paid to any corporation, partnership, joint venture, association or other entity in which state elected official, successful state candidate or member of their immediate family hold office, partnership, directorship or ownership interest of 10% or more.

Firm Name	Person's Name	Amount (Code)	Description of Consideration or Services Exchanged for Compensation
<input type="checkbox"/> Information continued on attached pages			

13. Any expenditure, not otherwise reported, made directly or indirectly to a state elected official, successful candidate for state office or member of their immediate family, if made to honor, influence or benefit the person because of his or her official position.

Name	Amount \$	Date and Description of Expense
<input type="checkbox"/> Information continued on attached pages		

14. This report must be certified by the president, secretary-treasurer or similar officer of reporting entity.

Certification: I certify that this report is true, complete and correct to the best of my knowledge.	Signature of Officer	Date
Printed Name and Title of Officer:		

AMENDATORY SECTION (Amending WSR 01-22-052, filed 10/31/01, effective 1/1/02)

WAC 390-19-020 Electronic filing—Mandatory filing. (1) RCW 42.17.3691 mandates that persons satisfying the qualifying criteria in that section file all contribution and expenditure reports by electronic means.

(2) Persons filing by electronic means shall register with the PDC and receive a filer identification number and password. Filers must have a current C-1 Candidate Registration Statement or a C-1pc Committee Registration Statement with original signature on file with the PDC prior to receiving a filer identification number. Forms C-1 and C-1pc may not be filed electronically.

(3) A filer subject to RCW 42.17.3691 shall file all PDC C-3 and C-4 reports and all appropriate schedules electronically in compliance with subsection (5) of this section.

(4) Any filer required to file electronically, but who files on paper, is in violation of RCW 42.17.3691 and may be subject to enforcement action unless the filer is a candidate who has sought and been granted an exception from electronic filing under WAC 390-19-050.

(5) A filer subject to electronic filing shall file reports using one of the following:

(a) The ~~((Washington Electronic Disclosure System (WEDS)))~~ ORCA software (Online Reporting of Campaign Activity) provided free-of-charge by the PDC;

(b) Software that creates electronic files that conform to the Political Disclosure Standard Electronic Reporting Format provided by the PDC; or

(c) Any other electronic filing application provided or approved by the PDC.