



State of Washington

DEPARTMENT OF FINANCIAL INSTITUTIONS
DIVISION OF CREDIT UNIONS

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November 30, 2008

Concise Explanatory Statement
Pursuant to RCW 34.05.325(6)

Amended rules for credit union asset assessment and hourly fee increases.

Agency reason for adoption of rules

The Division of Credit Unions (DCU) has not requested a fee increase since 2002. In order to maintain a high-quality regulatory environment, and offset inflationary pressures, the DCU proposed to increase asset assessment and hourly fees, within the limitations of the fiscal growth factor. The fee increase was approved by the 2008 Legislature.

Description of differences between text of the proposed rules as published in the Washington State Register and the text of the rules as adopted, other than editing changes, stating reason for differences

None

Summary of comments received by DFI during the rulemaking process, and DFI's responses to the comments

One written comment was received during the comment period prior to the public hearing held August 27, 2008:

Stacy Augustine, Washington Credit Union League (WCUL), requested more information and a “business analysis” of the need for the fee increase. She wanted an explanation of why the increase was necessary, what has been done to increase examiner quality since the last fee increase, and how the increase benchmarks against other financial institutions regulators.

Response: Although no changes were made to the rule language in response to the written comment, an extensive analysis was prepared by DCU and presented to stakeholders during the comment period. The analysis and stakeholder teleconference are posted on the Department of Financial Institutions’ website.

Oral comments received during the public hearing held August 27, 2008:

Stacy Augustine, WCUL, indicated that the Division of Credit Unions did a good job communicating the need for the new fee rules, and that credit unions now have a better understanding of the need for the increase. She stated that there may still be concerns regarding the definition of “total assets” for out-of-state credit unions.

CONCLUSION

The final proposed rules are appropriate and necessary, and provide clarification and consistency. DFI made the proposed rules available to all interested parties, for a prolonged review period, and the proposed rules were discussed at a noticed stakeholders meeting, in addition to the formal CR-102 hearing on the rules. All information on the rulemaking process, the draft rules, the written comments, and the hearings were timely posted to the Department of Financial Institutions’ website. The final rules are the product of an open, deliberative process.