



PROPOSED RULE MAKING

CR-102 (June 2012)

(Implements RCW 34.05.320)

Do NOT use for expedited rule making

Agency: Department of Financial Institutions, Securities Division

- | | |
|--|---|
| <input checked="" type="checkbox"/> Preproposal Statement of Inquiry was filed as WSR 15-08-059 ; or | <input checked="" type="checkbox"/> Original Notice |
| <input type="checkbox"/> Expedited Rule Making--Proposed notice was filed as WSR _____; or | <input type="checkbox"/> Supplemental Notice to WSR _____ |
| <input type="checkbox"/> Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1). | <input type="checkbox"/> Continuance of WSR _____ |

Title of rule and other identifying information: (Describe Subject) The Securities Division is proposing rules to preserve filing requirements in connection with offerings of securities made under Tier 2 of the Securities and Exchange Commission's newly adopted rules for Regulation A offerings. The proposed rules would be codified at WAC 460-18A-200.

Hearing location(s):

Department of Financial Institutions
150 Israel Road SW
Tumwater, WA 98501

Date: September 9, 2015 Time: 10:00 a.m.

Submit written comments to:

Name: Faith L. Anderson, Chief of Registration & Regulatory Affairs
Address: Securities Division
Department of Financial Institutions
P.O. Box 9033
Olympia, WA 98507-9033
e-mail faith.anderson@dfi.wa.gov
fax (360)704-6480 by (date) September 9, 2015

Assistance for persons with disabilities: Contact

Carolyn Hawkey by September 2, 2015

TTY (360) 664-8126 or (360) 902-8760

Date of intended adoption: September 10, 2015

(Note: This is **NOT** the **effective** date)

Purpose of the proposal and its anticipated effects, including any changes in existing rules:

On March 25, 2015, the Securities and Exchange Commission adopted final rules providing for a federal exemption from registration for offerings of securities of up to \$50 million as authorized by the JOBS Act of 2012. See Amendments to Regulation A, Securities Act Release Nos. 33-9741, 34-74578, 39-2501, available at <http://www.sec.gov/rules/final/2015/33-9741.pdf>. These rules adopted a definition of "qualified purchaser" pursuant to Sec. 18(b)(3) of the Securities Act of 1933 that extends to "any person to whom securities are offered or sold" in offerings of up to \$50 million in a Tier 2 offering under federal Regulation A. While the effect of defining a "qualified purchaser" in this manner is to preempt the states from requiring registration of these smaller and less regulated offerings, states retain the authority to require the filing of offering materials, a consent to service of process, and fees that would otherwise be required in the absence of preemption. The Securities Division is now proposing rules to require the filing of a notice filing form, a consent to service of process, and the fees that would otherwise be required in connection with the registration of these securities offerings but for preemption by the Securities and Exchange Commission. The proposed notice filing form is available on the Division's website at <http://www.dfi.wa.gov/rulemaking/tier-2-offerings-under-regulation>.

Statutory authority for adoption: RCW 21.20.327, 21.20.340, 21.20.450

Statute being implemented: RCW 21.20

Is rule necessary because of a:

- | | | |
|-------------------------|------------------------------|-----------------------------|
| Federal Law? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Federal Court Decision? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| State Court Decision? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
- If yes, CITATION:

DATE
July 8, 2015

NAME (type or print)
Scott Jarvis

SIGNATURE

TITLE
Director

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: July 08, 2015

TIME: 11:14 AM

WSR 15-15-038

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:

Name of proponent: (person or organization) Department of Financial Institutions, Securities Division

- Private
- Public
- Governmental

Name of agency personnel responsible for:

Name	Office Location	Phone
Drafting.....Faith L. Anderson, Esq.	150 Israel Road SW; Tumwater, WA 98501	(360) 902-8760
Implementation.....Scott Jarvis, Director, DFI	150 Israel Road SW; Tumwater, WA 98501	(360) 902-8760
Enforcement.....William Beatty, Director, Securities	150 Israel Road SW; Tumwater, WA 98501	(360) 902-8760

Has a small business economic impact statement been prepared under chapter 19.85 RCW or has a school district fiscal impact statement been prepared under section 1, chapter 210, Laws of 2012?

Yes. Attach copy of small business economic impact statement or school district fiscal impact statement.

A copy of the statement may be obtained by contacting:

Name:

Address:

phone () _____

fax () _____

e-mail _____

No. Explain why no statement was prepared.

A small business economic impact statement is not required under RCW 19.85.025(3) as the proposed rules would adopt, amend, or repeal a filing or related process requirement for applying to an agency for a license or permit.

Is a cost-benefit analysis required under RCW 34.05.328?

Yes A preliminary cost-benefit analysis may be obtained by contacting:

Name:

Address:

phone () _____

fax () _____

e-mail _____

No: Please explain: The Department of Financial Institutions is not one of the agencies listed in RCW 34.05.328.