



RULE-MAKING ORDER PERMANENT RULE ONLY

CR-103P (December 2017) (Implements RCW 34.05.360)

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STATE OF WASHINGTON
FILED

DATE: February 04, 2019
TIME: 12:47 PM

WSR 19-04-084

Agency: Department of Financial Institutions

Effective date of rule:

Permanent Rules

- 31 days after filing.
- Other (specify) _____ (If less than 31 days after filing, a specific finding under RCW 34.05.380(3) is required and should be stated below)

Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?

- Yes No If Yes, explain:

Purpose: The Department of Financial Institutions hereby amends WAC 460-44A-300, 460-44A-503, and 460-44A-504 to make ministerial updates in light of changes in federal law. WAC 460-44A-300 follows NASAA's Model Accredited Investor Exemption and exempts from securities registration offerings made pursuant to Section 3(b) of the Securities Act of 1933. It has not been updated since Section 3(b) was amended by the JOBS Act of 2012 and the SEC amended its rules thereunder in Regulation A. The amendments correct the reference in the exemption to Section 3(b)(1) of the amended Securities Act of 1933. In addition, WAC 460-44A-504 exempts small offerings that are made pursuant to SEC Rules 147 or 504 and has not been updated since the SEC created a new intrastate offering exemption in Rule 147A. The amendments add references to Rule 147A in the exemption. Finally, while the SEC repealed Rule 505 of Regulation D in 2017 and the Division previously repealed its own corresponding exemption in WAC 460-44A-505, the filing requirements set forth in WAC 460-44A-503 and the disqualification provision in WAC 460-44A-504 continue to reference WAC 460-44A-505. The updates remove all references to Rule 505 and WAC 460-44A-505.

Citation of rules affected by this order:

New:
 Repealed:
 Amended: WAC 460-44A-300, 460-44A-503, and 460-44A-504
 Suspended:

Statutory authority for adoption: RCW 21.20.320(9); RCW 21.20.320(17); RCW 21.20.450.

Other authority: None.

PERMANENT RULE (Including Expedited Rule Making)

Adopted under notice filed as WSR 19-01-089 on December 18, 2018 (date).
 Describe any changes other than editing from proposed to adopted version: None.

If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting:

Name:
 Address:
 Phone:
 Fax:
 TTY:
 Email:
 Web site:
 Other:

**Note: If any category is left blank, it will be calculated as zero.
No descriptive text.**

**Count by whole WAC sections only, from the WAC number through the history note.
A section may be counted in more than one category.**

The number of sections adopted in order to comply with:

Federal statute:	New	___	Amended	<u>3</u>	Repealed	___
Federal rules or standards:	New	___	Amended	<u>3</u>	Repealed	___
Recently enacted state statutes:	New	___	Amended	___	Repealed	___

The number of sections adopted at the request of a nongovernmental entity:

New	___	Amended	___	Repealed	___
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The number of sections adopted on the agency's own initiative:

New	___	Amended	___	Repealed	___
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The number of sections adopted in order to clarify, streamline, or reform agency procedures:

New	___	Amended	___	Repealed	___
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The number of sections adopted using:

Negotiated rule making:	New	___	Amended	___	Repealed	___
Pilot rule making:	New	___	Amended	___	Repealed	___
Other alternative rule making:	New	___	Amended	___	Repealed	___

Date Adopted: 2/4/2019

Name: Gloria Papiez

Title: Director

Signature:

