



STATE OF WASHINGTON
DEPARTMENT OF FINANCIAL INSTITUTIONS
SECURITIES DIVISION

P.O. Box 9033 • Olympia, Washington 98507-9033
Telephone (360) 902-8760 • TDD (360) 664-8126 • FAX (360) 902-0524 • Web Site: www.dfi.wa.gov/sd

**Notice of Adoption of Rule to Increase
Investment Adviser and Broker-Dealer Fees**

August 13, 2018

As you are on our interested persons list, we are writing to inform you that we have adopted a rule to implement a \$10 fee increase for initial and renewal applications for registration as an investment adviser, broker-dealer, investment adviser representative, and securities salesperson, in addition to the initial and renewal notice filing fees for federal covered advisers, to defray the costs of administering the Securities Act of Washington, chapter 21.20 RCW.

On March 22, 2018, Governor Jay Inslee signed into law Senate Bill 6024, which authorizes the Director of the Department of Financial Institutions to increase the fees set forth in RCW 21.20.340 upward by no more than fifteen dollars upon a finding that a fee increase is necessary to defray the costs of administering the Securities Act of Washington. The Securities Division's annual expenditures have exceeded its revenues cumulatively by approximately \$14.4 million since fiscal year 2004. The Securities Division's yearly deficits are projected to continue through fiscal year 2019, resulting in an approximate \$7.5 million deficit in fund balance for the Division, far below the recommended minimum fund balance of \$1.6 million. To address this deficit, the Securities Division adopted a rule to increase the fees associated with initial and renewal applications for registration as an investment adviser, broker-dealer, investment adviser representative, and securities salesperson, in addition to the initial and renewal notice filing fees for federal covered advisers, upward by \$10.00 effective January 1, 2019. The full amount of the fee increase will be allocated to the Securities Division.

The Rule-Making Order (Form CR-103) was filed on August 13, 2018 with the Office of the Code Reviser for publication in the Washington State Register on September 5, 2018 (Issue # 18-17). The notice is available on our website at <https://dfi.wa.gov/securities/rulemaking>.

Sincerely,

Faith L. Anderson, Esq.
Chief of Registration & Regulatory Affairs