



**STATE OF WASHINGTON**  
**DEPARTMENT OF FINANCIAL INSTITUTIONS**  
**SECURITIES DIVISION**

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**Notice of Preproposal Statement of Inquiry**  
**Regarding Investment Adviser and Broker-Dealer Fees**

**March 28, 2018**

As you are on our interested persons list, we are writing to inform you that the Securities Division is commencing the rulemaking process to adjust the filing fees required 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, upward by no more than fifteen dollars 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 plans 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 no more than fifteen dollars. The full amount of any fee increase will be allocated to the Securities Division.

The notice of Preproposal Statement of Inquiry (Form CR-101) was filed on March 27, 2018 with the Office of the Code Reviser for publication in the Washington State Register on April 18, 2018 (Issue # 18-08). The notice is available on our website at <https://dfi.wa.gov/securities/rulemaking>. You may submit written comments to the undersigned by email or postal mail at the addresses listed in the notice of Preproposal Statement of Inquiry (Form CR-101).

Sincerely,

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