



State of Washington

DEPARTMENT OF FINANCIAL INSTITUTIONS

DIVISION OF CONSUMER SERVICES

P.O. Box 41200 ● Olympia, Washington 98504-1200

Telephone (360) 902-8700 ● TDD (360) 664-8126 ● FAX (360) 586-5068 ● <http://www.dfi.wa.gov>

October 1, 2010

Concise Explanatory Statement

Pursuant to RCW 34.05.325(6)

Rule Amendments to the Uniform Money Services Act (CLA), chapter 19.230 RCW and chapter 208-690 WAC

Agency reasons for adopting the rules. (RCW 34.05.325(6)(a)(i))

The proposed amendments implement amendments to the law from the Laws of 2010 and provide clarification and consistency to the rules.

Describe differences between the 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 the reasons for differences. (RCW 34.05.325(6)(a) (ii))

See Attachment 1.

Summary of comments received by DFI during the rulemaking process, and DFI's responses to the comments. (RCW 34.05.325(6)(a) (iii))

DFI began soliciting comments on the amendments to the laws very early in the rulemaking process. The comment period was open until September 24, 2010. Following are excerpts or summaries of the written comments. The written comments in their entirety are available on our website.

I. Summary of written comments received:

1. May 7, 2010. Lisa Peerman, Comdata. These comments were to the annual assessment method subject of the expedited rulemaking. The final expedited rules were filed May 25, 2010, under WSR 10-12-038 and became effective June 25, 2010. The department considered these

comments and while the annual assessment is based on a percentage of volume the percentages themselves are a sliding scale depending on activity and for payment instruments depending also on volume. See WAC 208-690-140.

2. June 25, 2010. Mark Johnson, Washington Retail Association. These comments were to the receipt requirement found in WAC 208-690-200. The department considered these comments and the final proposed rules reflect changes made based on the comments.

3. July 16, 2010. Ezra Levine, Attorney. These comments concerned the fees charged to add or remove authorized delegates. The department considered these comments and the final proposed rules reflect changes made based on the comments.

4. August 5, 2010. Ezra Levine, Attorney. These comments concerned the tangible net worth requirements and required transaction records. The department considered these comments and the final proposed rules reflect changes made based on the comments.

II. Summary of oral comments received during the public hearing held September 15, 2010, on the Capitol Campus, Olympia, Washington: The complete audio of the hearing is available on our website.

The public hearing was called to order at 11:00 a.m. on September 15, 2010. There was one attendee who did not wish to provide testimony or written comments.

CONCLUSION

The proposed amendments implement the Laws of 2010. The proposed amendments also provide clarification and consistency to the rules. DFI made the proposed rules available to all interested parties and published the proposed amendments on the department website along with all rulemaking notices and audio of public meetings. The final proposed rules are the product of an open, deliberative process.