



# PREPROPOSAL STATEMENT OF INQUIRY

**CR-101 (June 2004)**

(Implements RCW 34.05.310)  
Do NOT use for expedited rule making

Agency: Department of Financial Institutions

Subject of possible rule making:

Regulatory requirements applicable to state-chartered credit unions, if converting from federal share insurance with the National Credit Union Share Insurance Fund to alternative share insurance, including the process of conversion, the requirements applicable to privately-insured state-chartered credit unions, and a process for reconversion to federal share insurance.

Statutes authorizing the agency to adopt rules on this subject: RCW 31.12.408; RCW 43.320.040

Reasons why rules on this subject may be needed and what they might accomplish:

Rules are needed to provide a process for a credit union seeking to convert from federal share insurance to private share insurance. Rules will define the procedure for conversion to private share insurance, establish requirements for the conduct of credit union business similar to federal rules regarding share (deposit) insurance, and set up a procedure and timeline for reconversion to federal share insurance, if desired by a credit union or required by the Department of Financial Institutions.

Identify other federal and state agencies that regulate this subject and the process coordinating the rule with these agencies:

Credit union share insurance is also regulated by the National Credit Union Administration (NCUA), through the National Credit Unions Share Insurance Fund. The NCUA will be informed of the proposed rules, during the rulemaking process.

Process for developing new rule (check all that apply):

- Negotiated rule making
- Pilot rule making
- Agency study
- Other (describe)

State-chartered credit unions, and other stakeholders and interested parties will be involved in informal comment and drafting meetings, prior to filing CR-102.

How interested parties can participate in the decision to adopt the new rule and formulation of the proposed rule before publication:

(List names, addresses, telephone, fax numbers, and e-mail of persons to contact; describe meetings, other exchanges of information, etc.)

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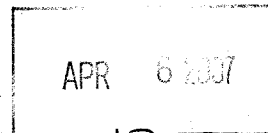
DATE  
April 6, 2007

NAME (TYPE OR PRINT)  
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SIGNATURE

TITLE  
Director, Division of Credit Unions

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