

M E M O R A N D U M

TO: Director of Credit Unions

FROM: Joe Vincent
Director of Legal & Regulatory Affairs

RE: Frequency of Board Meetings –
Exemption from SBEIS Requirement

DATE: January 30, 2014

An agency shall file a small business economic impact statement (“SBEIS”) in connection with the rulemaking process if the proposed rule will impose more than “minor costs” on businesses in an industry. RCW 19.85.030(1). Minor costs are defined as a cost that is less than three-tenths of one percent of annual revenue or income. RCW 19.85.020(2). This means one must compare the impact to 30% of 1% of revenue or income that each business in a prospectively affected industry generates. If the impact exceeds that amount, it is not a minor cost, and one must complete a SBEIS.

I have been asked to review the Division of Credit Unions’ proposed Frequency of Board Meetings Rule in relation to the above-referenced SBEIS Requirement.

Based upon the thorough analysis made by the Division of Credit Unions as memorialized in its related memorandum dated January 30, 2014 (see attached), I concur in the Division’s determination that it is statistically improbable that the proposed rule would result in any Washington State-chartered credit union incurring an economic impact in excess of “minor costs” as defined in RCW 19.85.030(1).

Therefore, for the reasons set forth above, I conclude that no SBEIS is required in the Rulemaking Process on Frequency of Board Meetings.

At the option of the Division of Credit Unions, this interpretation may be subject to review by the Washington Attorney General.