



PROPOSED RULE MAKING

CR-102 (June 2004)

(Implements RCW 34.05.320)

Do NOT use for expedited rule making

Agency: Department of Financial Institutions, Securities Division

Preproposal Statement of Inquiry was filed as WSR 14-02-126 ; or
 Expedited Rule Making--Proposed notice was filed as WSR _____ ; or
 Proposal is exempt under RCW 34.05.310(4).

Original Notice
 Supplemental Notice to WSR _____
 Continuance of WSR _____

Title of rule and other identifying information: (Describe Subject) Amending WAC 460-44A to Make Ministerial Updates to Account for Amendments to Federal Regulation D

The Securities Division is proposing to make ministerial updates to WAC 460-44A to reflect recent amendments to Regulation D that are not yet reflected in our rules. We also propose to update several cross references to federal law and remove an outdated note.

Hearing location(s):

State of Washington
Department of Financial Institutions
150 Israel Rd. SW, Room 319
Tumwater, Washington 98501

Date: April 8, 2014 Time: 2:00 p.m.

Submit written comments to:

Name: Dan Matthews
Address: Department of Financial Institutions - Securities Division;
PO Box 9033, Olympia, WA 98507-9033
e-mail dan.matthews@dfi.wa.gov
fax (360)704-6496 by (date) April 7, 2014

Assistance for persons with disabilities: Contact
Carolyn Hawkey; P.O. Box 9033; Olympia,
WA 98507-9033
TTY (360) 664-8126 or (360) 902-8824

Date of intended adoption: April 9, 2014
(Note: This is NOT the effective date)

Purpose of the proposal and its anticipated effects, including any changes in existing rules: On July 10, 2013, the Securities and Exchange Commission adopted two final rules through SEC Release Nos. 33-9414 and 33-9415, with an effective date of September 23, 2013. These rules impact the existing exemption under Federal Rule 506(b) and create a new exemption in federal Rule 506(c). Further, the text of the rules in WAC 460-44A-500 through -508 is largely based upon the text of federal Regulation D. Regulation D has been the subject of a number of minor revisions that are not yet reflected in our rules. The Division is proposing to make updates to WAC 460-44A in order to reflect the recent amendments to federal Rule 506 and to more closely align our rules with federal Regulation D. We are also proposing to update several cross references to federal law and remove an outdated note.

The Division is proposing amending the following WAC sections:

- 460-44A-050
- 460-44A-500
- 460-44A-501
- 460-44A-502
- 460-44A-503
- 460-44A-506

Reasons supporting proposal: The proposed rulemaking is beneficial to regulated entities, local governments, and small businesses that rely on the WAC. By engaging in this rulemaking, the government and the public would be benefited through more uniform and accurate regulations.

Statutory authority for adoption: RCW 21.20.450; 21.20.320(1) and (17)

Statute being implemented: RCW 21.20

Is rule necessary because of a:

Federal Law? Yes No
 Federal Court Decision? Yes No
 State Court Decision? Yes No
 If yes, CITATION:

DATE
2/24/2014

NAME (type or print)
Scott Jarvis

SIGNATURE

TITLE Director

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: February 24, 2014
TIME: 10:55 AM

WSR 14-06-020

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:

None

Name of proponent: (person or organization) Department of Financial Institutions

- Private
- Public
- Governmental

Name of agency personnel responsible for:

Name	Office Location	Phone
Drafting..... Dan Matthews	150 Israel Road SW, Tumwater, WA 98501	(360) 902-8760
Implementation....Scott Jarvis, Director	150 Israel Road SW, Tumwater, WA 98501	(360) 902-8760
Enforcement.....William M. Beatty, Dir. Securities	150 Israel Road SW, Tumwater, WA 98501	(360) 902-8760

Has a small business economic impact statement been prepared under chapter 19.85 RCW?

Yes. Attach copy of small business economic impact statement.

A copy of the statement may be obtained by contacting:

Name:

Address:

phone () _____

fax () _____

e-mail _____

No. Explain why no statement was prepared.

If any costs are borne by businesses in connection with the proposed rules, these costs will be no more than minor. As such, the agency is not required to prepare a small business economic impact statement under RCW 19.85.030.

Is a cost-benefit analysis required under RCW 34.05.328?

Yes A preliminary cost-benefit analysis may be obtained by contacting:

Name:

Address:

phone () _____

fax () _____

e-mail _____

No: Please explain: The Department of Financial Institutions is not one of the agencies listed in RCW 34.05.328.