

RCW 31.12.471 Authority of out-of-state or foreign credit union to operate in this state—Conditions—Rules. (1) An out-of-state or foreign credit union may not operate a branch in Washington unless:

(a) The director has approved its application in accordance with this section;

(b) A credit union organized and operating under this chapter is permitted to do business in the state or foreign jurisdiction in which the credit union is organized;

(c) The interest rate charged by the credit union on loans made to members residing in this state does not exceed the maximum interest rate permitted in the state or jurisdiction in which the credit union is organized, or exceed the maximum interest rate that a credit union organized and operating under this chapter is permitted to charge on similar loans, whichever is lower;

(d) The credit union has secured surety bond and fidelity bond coverages satisfactory to the director;

(e) The credit union's share and deposit accounts are insured under the federal share insurance program or an equivalent share insurance program in compliance with RCW 31.12.408;

(f) The credit union submits to the director an annual examination report of its most recently completed fiscal year;

(g) The credit union has not had its authority to do business in another state or foreign jurisdiction suspended or revoked;

(h) The credit union complies with:

(i) The provisions concerning field of membership in this chapter and rules adopted by the director; and

(ii) Such other provisions of this chapter and rules adopted by the director, as determined by the director; and

(i) In addition, if the credit union is a foreign credit union:

(i) A treaty or agreement between the United States and the jurisdiction where the credit union is organized requires the director to permit the credit union to operate a branch in Washington; and

(ii) The director determines that the credit union has substantially the same characteristics as a credit union organized and operating under this chapter.

(2) The director shall deny an application filed under this section or, upon notice and an opportunity for hearing, suspend or revoke the approval of an application, if the director finds that the standards of organization, operation, and regulation of the applicant do not reasonably conform with the standards under this chapter. In considering the standards of organization, operation, and regulation of the applicant, the director may consider the laws of the state or foreign jurisdiction in which the applicant is organized. A decision under this subsection may be appealed under chapter 34.05 RCW.

(3) In implementing this section, the director may cooperate with credit union regulators in other states or jurisdictions and may share with the regulators the information received in the administration of this chapter.

(4) The director may enter into supervisory agreements with out-of-state and foreign credit unions and their regulators to prescribe the applicable laws governing the powers and authorities of Washington branches of the out-of-state or foreign credit unions. The director may also enter into supervisory agreements with the credit union regulators in other states or foreign jurisdictions to prescribe the applicable laws governing the powers and authorities of out-of-state or foreign branches and other facilities of credit unions. The

agreements may address, but are not limited to, corporate governance and operational matters. The agreements may resolve any conflict of laws, and specify the manner in which the examination, supervision, and application processes must be coordinated with the regulators.

(5) A person, other than a credit union, out-of-state credit union, or foreign credit union, may not hold itself out in this state as engaging in the business of a credit union unless it is a credit union under this chapter, a federal credit union, an out-of-state credit union, or a foreign credit union.

(6) A person, wherever domiciled and regardless of the location or mode of its business, may not designate itself as or use the term "credit union" to refer to itself in any communication for purpose of conducting credit union business with a resident of the state of Washington, unless such person is a credit union under this chapter, federal credit union, out-of-state credit union, or foreign credit union.

(7) The director may adopt rules for the periodic examination and investigation of the affairs of an out-of-state credit union or foreign credit union operating a branch in this state. [2015 c 114 s 14; 2001 c 83 s 24; 1997 c 397 s 43. Prior: 1994 c 256 s 88; 1994 c 92 s 205; 1984 c 31 s 54. Formerly RCW 31.12.526.]

Findings—Construction—1994 c 256: See RCW 43.320.007.