

1 **SSB 5829** - H COMM AMDS TO H COMM AMD (5829-S AMH FII H2332.1)

2 By Committee on Appropriations

3 On page 16, after line 13 of the striking amendment, insert:

4 "Sec. 27. RCW 19.48.020 and 1989 c 98 s 2 are each amended to read as follow:

5 Unless the context requires otherwise, the definitions in this section apply throughout this
6 chapter.

7 (1) "Closing documents" means preliminary negotiations reduced to writing, estimated
8 settlement charges, deeds or deed forms, promissory notes, final loan contracts, and any other
9 document necessary for completion of the loan transaction.

10 (2) "Lender" shall mean any person in the business of making a loan.

11 ((2)) (3) "Loan" shall mean any loan used to finance the acquisition of a one-to-four
12 family owner occupied residence located in this state.

13 ((3)) (4) "Purchasing servicing agent" is any person who purchases, receives through
14 transfer or assignment, or otherwise acquires the responsibility of the servicing for a loan.

15 ((4)) (5) "Person" shall include an individual, firm, association, partnership, business,
16 trust, corporation, or any other legal entity whether resident or nonresident.

17 **Sec. 28.** RCW 19.148. 030 and 1989 c 98 s 3 are each amended to read as follows:

18 (1) If the servicing for the loan is subject to sale, transfer, or assignment, a lender shall
19 so disclose in writing at the time of or prior to loan closing and shall also disclose in the same
20 writing that when such servicing is sold, transferred, or assigned, the purchasing servicing agent
21 is required to provide notification to the mortgagor. If a lender, which has not provided the
22 notice required by this subsection, consolidates with, merges with or is acquired by another
23 institution, and thereafter loan servicing becomes subject to sale, transfer, or assignment, that
24 institution shall within thirty days of such transaction make the disclosure in writing to the

1 obligor primarily responsible for repaying each loan according to the records of the lender.

2 (2) If the servicing of a loan is sold, assigned, transferred, or otherwise acquired by
3 another person, the purchasing servicing agent shall:

4 (a)(i) Issue corrected coupon or payment books, if used and necessary;

5 (ii) Provide notification to the mortgagor at least thirty days prior to the due date of the
6 first payment to the purchasing servicing agent, of the name, address, and telephone number of
7 the division from whom the mortgagor can receive information regarding the servicing of the
8 loan; and

9 (iii) Inform the mortgagor of changes made regarding the servicing requirements
10 including, but not limited to, interest rate, monthly payment amount, and escrow balance; and

11 (b) Respond within fifteen business days upon receipt of a written request for information
12 from a mortgagor. A written response must include the telephone number of the company
13 division who can assist the mortgagor.

14 (3) Upon request of a loan applicant, a lender shall provide copies of all closing
15 documents to the applicant at least twenty-four hours prior to loan closing. Each lender shall
16 advise a loan applicant at the time of application that the applicant has the right to request and
17 receive copies of closing documents prior to loan closing.

18 (4) Any person injured by a violation of this chapter may bring an action for actual
19 damages and reasonable attorneys' fees and costs incurred in bringing the action."

20 On page 16, line 15, after "except for" strike "section 21" and insert "sections 21, 27,
21 and 28"

22 Renumber remaining sections consecutively and correct internal references accordingly.

EFFECT: Allows a loan applicant to request from the lender, copies of all loan

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documents twenty-four hours prior to closing. Lenders shall advise loan applicants of their ability to request these documents.