
**Financial Institutions &
Insurance Committee**

HB 1056

Brief Description: Notifying home buyers of where information regarding registered sex offenders may be obtained.

Sponsors: Representatives Simpson and Campbell.

Brief Summary of Bill

- Requires a residential mortgage lender to provide a borrower with written notice that information about local, registered sex offenders is available from the county sheriff.
- Requires a seller of residential real property to provide the buyer with written notice that information about local, registered sex offenders is available from the county sheriff.

Hearing Date: 1/28/03.

Staff: Thamas Osborn (786-7129).

Background:

Sex offender registration: Convicted sex offenders who are released into the community are required to register with the county sheriff in the jurisdiction where the offender resides. When registering, the offender must provide a variety of personal information, including his or her address, place of employment, Social Security number, conviction history, fingerprints, and a photograph.

Public agencies are authorized to release information to the public regarding sex offenders when the disclosure of such information is necessary in order to protect the public. County sheriffs, in particular, must publish information regarding certain classes of sex offenders so as to notify the public of their presence in the community. In addition, county sheriffs must maintain “ and make available to the public “ a database that includes the sex offender’s identity, neighborhood of residence, relevant convictions, physical description, and a photograph.

Mortgage loan disclosures: Residential mortgage lenders are required to make specified disclosures to borrowers *prior* to the closing of the mortgage loan. The disclosures must include all appraisals and other documents related to the lender's valuation of the property.

Seller's disclosures: Sellers of residential real estate are required to make extensive written disclosures to buyers regarding the condition of the property, utility systems, hazardous conditions, legal restrictions, etc. These written disclosures must be in the form specified by statute.

Summary of Bill:

Prior to the closing of a residential mortgage loan, a mortgage lender must provide formal written notice to a borrower informing him or her that information about registered sex offenders living in the area may be obtained from the county sheriff. The form containing the requisite notice must be signed and dated by the borrower. The lender has no legal duty to provide the borrower with specific, substantive information regarding sex offenders who might be living in the neighborhood in which the property is located.

At the time of the transfer of a deed or the signing of a real estate contract, a seller of residential real estate must provide formal written notice to a buyer informing him or her that information about registered sex offenders living in the area may be obtained from the county sheriff. The form containing the requisite notice must be signed and dated by the buyer. The seller has no legal duty to provide the buyer with specific, substantive information regarding sex offenders who might be living in the neighborhood in which the property is located.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.