

CERTIFICATION OF ENROLLMENT

HOUSE BILL 1225

Chapter 190, Laws of 1993

53rd Legislature
1993 Regular Session

DEBT COLLECTION BY CONSUMER LOAN COMPANIES--COSTS OF
COLLECTION MAY BE COLLECTED FROM DEBTOR

EFFECTIVE DATE: 7/25/93

Passed by the House February 17, 1993
Yeas 96 Nays 1

BRIAN EBERSOLE
**Speaker of the
House of Representatives**

Passed by the Senate April 15, 1993
Yeas 48 Nays 0

JOEL PRITCHARD
President of the Senate

Approved May 6, 1993

MIKE LOWRY
Governor of the State of Washington

CERTIFICATE

I, Alan Thompson, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1225** as passed by the House of Representatives and the Senate on the dates hereon set forth.

ALAN THOMPSON
Chief Clerk

FILED

May 6, 1993 - 1:08 p.m.

**Secretary of State
State of Washington**

HOUSE BILL 1225

Passed Legislature - 1993 Regular Session

State of Washington 53rd Legislature 1993 Regular Session

By Representatives Zellinsky, Dellwo, Anderson and Mielke

Read first time 01/20/93. Referred to Committee on Financial
Institutions & Insurance.

1 AN ACT Relating to the collection of allowable fees in connection
2 with delinquent debts, repossessions, and foreclosures; and amending
3 RCW 31.04.105.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 31.04.105 and 1991 c 208 s 11 are each amended to read
6 as follows:

7 Every licensee may:

8 (1) Lend money at a rate that does not exceed twenty-five percent
9 per annum as determined by the simple interest method of calculating
10 interest owed;

11 (2) In connection with the making of a loan, charge the borrower a
12 nonrefundable, prepaid, loan origination fee not to exceed four percent
13 of the first twenty thousand dollars and two percent thereafter of the
14 principal amount of the loan advanced to or for the direct benefit of
15 the borrower, which fee may be included in the principal balance of the
16 loan;

17 (3) Agree with the borrower for the payment of fees for title
18 insurance, appraisals, recording, reconveyance, and releasing when such
19 fees are actually paid by the licensee to a third party for such

1 services or purposes and may include such fees in the amount of the
2 loan. However, no charge may be collected unless a loan is made,
3 except for reasonable fees properly incurred in connection with the
4 appraisal of property by a qualified, independent, professional, third-
5 party appraiser selected by the borrower and approved by the lender or
6 in the absence of borrower selection, selected by the lender;

7 (4) Charge and collect a penalty of ten cents or less on each
8 dollar of any installment payment delinquent ten days or more;

9 (5) Collect from the debtor reasonable attorneys' fees, actual
10 expenses, and costs incurred in connection with the collection of a
11 delinquent debt, a repossession, or a foreclosure when a debt is
12 referred for collection to an attorney who is not a salaried employee
13 of the licensee;

14 (6) Make open-end loans as provided in this chapter;

15 ~~((6))~~ (7) Charge and collect a fee for dishonored checks in an
16 amount approved by the supervisor; and

17 ~~((7))~~ (8) In accordance with Title 48 RCW, sell insurance
18 covering real and personal property, covering the life or disability or
19 both of the borrower, and covering the involuntary unemployment of the
20 borrower.

Passed the House February 17, 1993.

Passed the Senate April 15, 1993.

Approved by the Governor May 6, 1993.

Filed in Office of Secretary of State May 6, 1993.