

CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 5432

Chapter 56, Laws of 1993

53rd Legislature
1993 Regular Session

DISCRIMINATION IN MORTGAGE LENDING STUDY

EFFECTIVE DATE: 7/25/93

Passed by the Senate March 10, 1993
YEAS 48 NAYS 0

R. LORRAINE WOJAHN

President of the Senate

Passed by the House April 7, 1993
YEAS 98 NAYS 0

BRIAN EBERSOLE

**Speaker of the
House of Representatives**

Approved April 19, 1993

MIKE LOWRY

Governor of the State of Washington

CERTIFICATE

I, Marty Brown, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 5432** as passed by the Senate and the House of Representatives on the dates hereon set forth.

MARTY BROWN

Secretary

FILED

April 19, 1993 - 1:55 p.m.

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 5432

Passed Legislature - 1993 Regular Session

State of Washington 53rd Legislature 1993 Regular Session

By Senate Committee on Labor & Commerce (originally sponsored by Senators Pelz, Prentice, Moore, Franklin, Bauer, Wojahn, Fraser and Skratek)

Read first time 02/22/93.

1 AN ACT Relating to a study of discrimination based on race and
2 national origin in mortgage lending; and creating new sections.

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

4 NEW SECTION. **Sec. 1.** The federal home mortgage disclosure act has
5 recently required depository institutions to analyze and make available
6 first-time loan and rejection rates by race, national origin, and
7 income, among other factors. According to these data, some depository
8 institutions operating in Washington state have rejected a
9 disproportionate number of mortgage applications from minorities, even
10 when income is taken into account. With this study, the legislature
11 intends to support the lending institutions in their attempts to remedy
12 this problem.

13 NEW SECTION. **Sec. 2.** The supervisor of banking and supervisor of
14 savings and loan associations shall perform a study of the problem of
15 discrimination based on race and national origin in home mortgage
16 lending after 1990. The study must address the nature of the problem
17 and why it is occurring, what depository institutions around the
18 country and in this state are doing to solve the problem, and suggest

1 what depository institutions operating in this state could do to solve
2 the problem. The supervisor of banking and supervisor of savings and
3 loan associations shall report the results of the study to the
4 committees on financial institutions and insurance of the house of
5 representatives and the committee on labor and commerce of the senate
6 by December 1, 1993. For purposes of this section, the term
7 "depository institution" means a commercial bank, savings bank, savings
8 and loan association, building and loan association, homestead
9 association including cooperative banks, or credit union that makes
10 federally related mortgage loans as determined by the federal reserve
11 board, mortgage banking subsidiary of a bank holding company or savings
12 and loan holding company, or savings and loan service corporation that
13 originates or purchases loans.

Passed the Senate March 10, 1993.

Passed the House April 7, 1993.

Approved by the Governor April 19, 1993.

Filed in Office of Secretary of State April 19, 1993.