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HOUSE BILL 1851

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State of Washington

61st Legislature

2009 Regular Session

By Representatives Kelley and Nelson

Read first time 01/30/09. Referred to Committee on Financial Institutions & Insurance.

1 AN ACT Relating to alternatives to a small loan; and adding a new  
2 section to chapter 31.45 RCW.

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

4 NEW SECTION. **Sec. 1.** A new section is added to chapter 31.45 RCW  
5 to read as follows:

6 (1) In addition to any other disclosure required under this chapter  
7 or by state or federal law, a licensee with a small loan endorsement  
8 must provide a disclosure statement that informs a potential borrower  
9 that possible alternatives to a small loan exist and that the borrower  
10 may qualify for other assistance or loans. The statement must:

11 (a) Be a separate document;

12 (b) Be in at least twelve-point type;

13 (c) Be provided to the potential borrower along with or prior to an  
14 application;

15 (d) Provide examples of possible alternatives and contact  
16 information, including:

17 (i) The army emergency relief program;

18 (ii) The navy-marine corps relief society quick assist loan  
19 program;

1           (iii) The air force aid society falcon loan program;  
2           (iv) The coast guard mutual assistance program;  
3           (v) The diversion cash assistance program offered by the department  
4 of social and health services; and  
5           (vi) Other alternatives required by the director;  
6           (e) Provide a list of independent financial counseling agencies in  
7 the area or region; and  
8           (f) Be approved by the director prior to use. If the director  
9 later withdraws approval, the licensee must cease using the disapproved  
10 statement.  
11           (2) The director may adopt rules to implement this section.

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