

WSR 22-16-117
EXPEDITED RULES
DEPARTMENT OF
FINANCIAL INSTITUTIONS
[Filed August 3, 2022, 11:00 a.m.]

Title of Rule and Other Identifying Information: Chapter 460-33A WAC, Regulations concerning securities involving mortgages, trust deeds or property sales contracts.

Purpose of the Proposal and Its Anticipated Effects, Including Any Changes in Existing Rules: The securities division proposes to repeal the entirety of chapter 460-33A WAC, which creates an optional method of registration for mortgage paper securities. The last issuer to register an offering of mortgage paper securities under these rules was in 2012. Changes in federal law over the past 10 years, including the Jumpstart Our Business Startups (JOBS) Act of 2012, have diminished the usefulness of the rules contained in chapter 460-33A WAC.

Reasons Supporting Proposal: Repealing chapter 460-33A WAC will remove an outdated section of the regulations that are administered by the securities division. This will streamline the regulations it administers and allow the regulations to reflect modern practice.

Statutory Authority for Adoption: RCW 21.20.450.

Statute Being Implemented: Chapter 21.20 RCW.

Rule is not necessitated by federal law, federal or state court decision.

Name of Proponent: Department of financial institutions, securities division, governmental.

Name of Agency Personnel Responsible for Drafting: Patrick Stickney, 150 Israel Road S.W., Tumwater, WA 98501; Implementation: Faith Anderson, 150 Israel Road S.W., Tumwater, WA 98501, 360-902-8760; and Enforcement: William Beatty, 150 Israel Road S.W., Tumwater, WA 98501, 360-902-8760.

This notice meets the following criteria to use the expedited repeal process for these rules:

The rule is no longer necessary because of changed circumstances.

Explanation of the Reason the Agency Believes the Expedited Rule-Making Process is Appropriate: RCW 34.05.353 states that an agency may file notice for the expedited repeal of a rule if "[t]he rule is no longer necessary because of changed circumstances." It has been more than 10 years since an issuer has applied to register an offering under chapter 460-33A WAC, and federal regulatory changes have rendered the rule obsolete. These changed circumstances thus justify the expedited repeal of the rule.

NOTICE

THIS RULE IS BEING PROPOSED UNDER AN EXPEDITED RULE-MAKING PROCESS THAT WILL ELIMINATE THE NEED FOR THE AGENCY TO HOLD PUBLIC HEARINGS, PREPARE A SMALL BUSINESS ECONOMIC IMPACT STATEMENT, OR PROVIDE RESPONSES TO THE CRITERIA FOR A SIGNIFICANT LEGISLATIVE RULE. IF YOU OBJECT TO THIS USE OF THE EXPEDITED RULE-MAKING PROCESS, YOU MUST EXPRESS YOUR OBJECTIONS IN WRITING AND THEY MUST BE SENT TO Patrick Stickney, Department of Financial Institutions, Securities Division, P.O. Box 9033, Olympia, WA 98507-9033, phone 360-902-8760, email Patrick.Stickney@dfi.wa.gov, AND RECEIVED BY October 3, 2022.

August 3, 2022
Charles Clark
Director

OTS-3993.1

REPEALER

The following chapter of the Washington Administrative Code is repealed:

WAC 460-33A-010	Application.
WAC 460-33A-015	Definitions.
WAC 460-33A-017	Registration not required.
WAC 460-33A-020	Optional registration procedures for mortgage paper securities.
WAC 460-33A-025	Contents of the general offering circular.
WAC 460-33A-030	Contents and filing of the specific offering circular.
WAC 460-33A-031	Minimum investor suitability requirements.
WAC 460-33A-035	Limitations on the use of optional registration of this chapter.
WAC 460-33A-036	Participation agreement.
WAC 460-33A-037	Disclosure requirements in the sale of real estate owned property.
WAC 460-33A-038	Real estate broker's opinion of value in the sale of real estate owned property.
WAC 460-33A-040	Net worth or bond requirement.
WAC 460-33A-055	Escrow account.
WAC 460-33A-060	Recordation.
WAC 460-33A-065	Service agreement.
WAC 460-33A-070	Origination and assignment.
WAC 460-33A-075	Advertising.
WAC 460-33A-080	Registration and examination of mortgage broker-dealers.
WAC 460-33A-081	Expiration of mortgage broker-dealer registration, renewal procedure.
WAC 460-33A-085	Registration and examination of mortgage securities salespersons.
WAC 460-33A-086	Expiration of mortgage securities salesperson registration, renewal procedure.
WAC 460-33A-090	Dishonest and unethical practices—Mortgage broker-dealers.
WAC 460-33A-095	Fiduciary duty—Mortgage broker-dealers.
WAC 460-33A-100	Written statement.
WAC 460-33A-105	Appraisals.

WAC 460-33A-110	Financial statements and annual reports.
WAC 460-33A-115	Books and records.
WAC 460-33A-116	Access to loan records by investors.
WAC 460-33A-120	Preservation of records.
WAC 460-33A-125	Notice of changes by mortgage broker-dealers.
WAC 460-33A-130	Notice of complaint.