



PROPOSED RULE MAKING

CR-102 (December 2017) (Implements RCW 34.05.320)

Do NOT use for expedited rule making

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STATE OF WASHINGTON
FILED

DATE: August 21, 2019

TIME: 10:34 AM

WSR 19-17-090

Agency: Department of Financial Institutions, Division of Consumer Services

Original Notice

Supplemental Notice to WSR _____

Continuance of WSR _____

Preproposal Statement of Inquiry was filed as WSR 19-14-015 ; or

Expedited Rule Making--Proposed notice was filed as WSR _____; or

Proposal is exempt under RCW 34.05.310(4) or 34.05.330(1); or

Proposal is exempt under RCW _____.

Title of rule and other identifying information: (describe subject) WAC 208-660 implementing the Mortgage Broker Practices Act, chapter 19.146 RCW, specifically including proposed provisions on temporary authority to conduct business for mortgage loan originators. Other amendments may include changes to the rules regulating trust accounts to reduce conflict with other state laws, and technical changes for clarity and consistency

Hearing location(s):

Date: **Time:** **Location:** (be specific) **Comment:**

| | | | |
|---------|-----------------------|--|----------|
| 9/24/19 | 10:30 AM- 12:00 PM | DFI, 150 Israel Rd. SW Tumwater, WA 98501 | Room 319 |
|---------|-----------------------|--|----------|

Date of intended adoption: 10/22/19 (Note: This is **NOT** the **effective** date)

Submit written comments to:

Name: Sara Rietcheck

Address: P.O. Box 41200, Olympia, WA 98504-1200

Email: sara.rietcheck@dfi.wa.gov

Fax:

Other: Sign up for the GovDelivery email subscription system from the DFI website. Access the rulemaking page on the DFI web site at www.dfi.wa.gov

By (date) 9/17/19, 5:00 PM

Assistance for persons with disabilities:

Contact Sara Rietcheck

Phone: 360-902-8793

Fax:

TTY: 360-664-8126

Email: sara.rietcheck@dfi.wa.gov

Other: Sign up for the GovDelivery email subscription system from the DFI website. Access the rulemaking page on the DFI web site at www.dfi.wa.gov

By (date) 9/17/19, 5:00 PM

Purpose of the proposal and its anticipated effects, including any changes in existing rules: The rules must be amended to implement amendments (Sec. 106 of S. 2155, Public Law No. 115-174) to the federal SAFE act (the federal law requiring the licensure of individual mortgage loan originators (MLOs).

Reasons supporting proposal: The federal SAFE act regulating the licensure of MLOs was amended and we want the MBPA rules to be helpful to MLOs seeking the authority under the amendments.

Statutory authority for adoption: RCW 43.320.040, RCW 19.146.225.

Statute being implemented: Chapter 19.146 RCW

Is rule necessary because of a:
Federal Law? Yes No
Federal Court Decision? Yes No
State Court Decision? Yes No
If yes, CITATION: Sec. 106 of S. 2155, Public Law No. 115-174

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters: none

Name of proponent: (person or organization) Department of Financial Institutions, Division of Consumer Services Private Public Governmental

| Name of agency personnel responsible for: | | | |
|--|------------------|-------------------------------------|--------------|
| | Name | Office Location | Phone |
| Drafting: | Cindy Fazio | 150 Israel Rd. SW Tumwater WA 98501 | 360-902-8800 |
| Implementation: | Richard St. Onge | 150 Israel Rd. SW Tumwater WA 98501 | 360-902-0511 |
| Enforcement: | Richard St. Onge | 150 Israel Rd. SW Tumwater WA 98501 | 360-902-0511 |

Is a school district fiscal impact statement required under RCW 28A.305.135? Yes No
If yes, insert statement here:

The public may obtain a copy of the school district fiscal impact statement by contacting:
Name:
Address:
Phone:
Fax:
TTY:
Email:
Other:

Is a cost-benefit analysis required under RCW 34.05.328?
 Yes: A preliminary cost-benefit analysis may be obtained by contacting:
Name:
Address:
Phone:
Fax:
TTY:
Email:
Other:
 No: Please explain: Not applicable to these rules

Regulatory Fairness Act Cost Considerations for a Small Business Economic Impact Statement:

This rule proposal, or portions of the proposal, **may be exempt** from requirements of the Regulatory Fairness Act (see chapter 19.85 RCW). Please check the box for any applicable exemption(s):

This rule proposal, or portions of the proposal, is exempt under RCW 19.85.061 because this rule making is being adopted solely to conform and/or comply with federal statute or regulations. Please cite the specific federal statute or regulation this rule is being adopted to conform or comply with, and describe the consequences to the state if the rule is not adopted.

Citation and description:

This rule proposal, or portions of the proposal, is exempt because the agency has completed the pilot rule process defined by RCW 34.05.313 before filing the notice of this proposed rule.

This rule proposal, or portions of the proposal, is exempt under the provisions of RCW 15.65.570(2) because it was adopted by a referendum.

This rule proposal, or portions of the proposal, is exempt under RCW 19.85.025(3). Check all that apply:

- RCW 34.05.310 (4)(b) (Internal government operations)
- RCW 34.05.310 (4)(e) (Dictated by statute)
- RCW 34.05.310 (4)(c) (Incorporation by reference)
- RCW 34.05.310 (4)(f) (Set or adjust fees)
- RCW 34.05.310 (4)(d) (Correct or clarify language)
- RCW 34.05.310 (4)(g) ((i) Relating to agency hearings; or (ii) process requirements for applying to an agency for a license or permit)

This rule proposal, or portions of the proposal, is exempt under RCW ____.

Explanation of exemptions, if necessary:

COMPLETE THIS SECTION ONLY IF NO EXEMPTION APPLIES

If the proposed rule is **not exempt**, does it impose more-than-minor costs (as defined by RCW 19.85.020(2)) on businesses?

- No Briefly summarize the agency's analysis showing how costs were calculated. _____
- Yes Calculations show the rule proposal likely imposes more-than-minor cost to businesses, and a small business economic impact statement is required. Insert statement here:

The public may obtain a copy of the small business economic impact statement or the detailed cost calculations by contacting:

- Name:
- Address:
- Phone:
- Fax:
- TTY:
- Email:
- Other:

Date: August 21, 2019

Name: Richard St. Onge

Title: Acting Director, Division of Consumer Services

Signature:

