

**Attachment 2 to Concise Explanatory Statement**  
**Pursuant to RCW 34.05.325(6)**

**Summary of written comments received by DFI during the rulemaking process, and DFI’s responses to the comments. (RCW 34.05.325(6)(a) (iii))**

See the DFI rulemaking web page for this program for the complete text of the comments submitted.

<b>MLOs working from licensed locations including branches</b>	
Clarify that licensed MLOs must work from a licensed location.	DFI response. No change made to the rules. Existing rules appear to be adequate.
All origination work required from a licensed location is not practical.	DFI response. No change made to the rules. Any changes to this requirement would need to be done via a statutory change.
<b>Prelicensing Education</b>	
WAC 208-660-355(4) Suggestion that this education expire within one year.	DFI response. The rule was removed upon notification that the NMLS system functionality is not ready to monitor this.
<b>Mortgage call report requirements</b>	
WAC 208-660-400(1) – Objection to addition of “including residential mortgage loan activity reports and financial condition reports.”  Can financial documents be uploaded?	DFI response. No change to the rule. No additional reporting requirements were added in the rule. The department will work with licensees having difficulty in using NMLS for the required reporting.
<b>Investigation and examination authority</b>	
WAC 208-660-520(2) and RCW 19.146.235(1).	DFI response. No change made to the rule. This is a suggested statutory change. Any change to this rule requires a statutory change.
<b>Trust account</b>	
WAC 208-660-410(1). Further clarification requested that non-trust funds can be deposited into the broker’s general account.	DFI response. Additional clarification made to the rule based on this comment.
WAC 208-660-410(24)(d). Allow transfer of funds from one subaccount to another provided the borrower has given written authorization. It can be from a subaccount with multiple	DFI response. No change made to the rule. Allowing the suggested change may adversely affect the accounting system.

borrowers to a subaccount with only one of those borrowers, as long as all borrower have agreed in writing.	
WAC 208-660-410(32). Allow checks to be made payable to one borrower, provided all borrowers have consented in writing.	DFI response. No change made to the rule. The rule as written is consistent with similar requirements in other industries.
<b>Mortgage loan disclosures</b>	
WAC 208-660-430. Clarify that Saturdays are not included in RCW 19.146.030(3).	DFI response. No change made to the rule. The rule as written reduces conflict with federal law on this topic.
<b>Rate lock disclosure</b>	
WAC 208-660-430(10). Consider not requiring an interest rate lock agreement if no interest rate lock fee is charged.  Consider not requiring re-issuance of the rate lock agreement as all information is required in the LE.	DFI response. No change made to the rule requiring the WA Rate Lock Agreement following further discussions with industry.
WAC 208-660-430. The rule requires guarantee language. The proposed form does not say guarantee.	DFI response. No change made to the form. Using “locked” implies guarantee.
Only require re-disclosure of changed items not the entire form	DFI response. No change made to the form. Use of the form is not required as long as the statutory requirements for a rate lock disclosure are met.
<b>Frequency of Examinations</b>	
WAC 208-660-520 (RCW 19.146.235). Consider eliminating examinations of companies except upon receipt of complaints or notices of violation.	DFI response. No changes based on this comment. This requires a statutory change.
<b>Mortgage Broker Commission</b>	
WAC 208-660-700 Re-establish the Mortgage Broker Commission.	DFI response. No change to the rule. This requires a statutory change.
<b>Designated broker industry experience requirement</b>	
RCW 19.146.210(1)(e). Consider increasing the required industry experience to obtain a designated	DFI response. No changes based on this comment. This requires a statutory change.

broker designation. The state's requirements have not changed or kept up with the additional responsibilities of a DB.	
RCW 19.146.210(1)(e). Consider increasing the required industry experience to obtain a designated broker designation. The state's requirements have not changed or kept up with the additional responsibilities of a DB.	DFI response. No changes based on this comment. This requires a statutory change.
<b>Designated broker education requirements</b>	
RCW 19.146.215. Consider increasing the required education to obtain a DB designation. The state's requirements have not changed or kept up with additional responsibilities of a DB.	DFI response. No changes based on this comment. This requires a statutory change.
<b>Technical Fixes</b>	
WAC 208-660-106 inaccurate citation.	DFI response. Citation corrected.