



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: July 17, 2018

TIME: 3:05 PM

WSR 18-15-077

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 18-07-095 ; 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 208-620 implementing the Consumer Loan Act, chapter 31.04 RCW, specifically including amendments to provisions on student education loan servicing.

Hearing location(s):

| Date: | Time: | Location: (be specific) | Comment: |
|---------|----------------|--|----------|
| 8/21/18 | 10:00-11:00 AM | DFI, 150 Israel Rd. SW Tumwater, WA 98501 | Room 220 |

Date of intended adoption: 8/30/18 (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) 8/7/18, 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) 8/7/18, 5:00 PM

Purpose of the proposal and its anticipated effects, including any changes in existing rules: The rules must be amended to implement c 62, Laws of 2018 to add student education loan servicing and student education loan servicers to those activities and persons regulated under the Consumer Loan Act.

Reasons supporting proposal: Student education loan servicing will have a number of consumer protections which will help student education loan borrowers. Also, the rules will enable the agency to monitor servicers' activities and provide clear guidance on what activities are required or disallowed, which will be helpful to the industry.

Statutory authority for adoption: RCW 43.320.040, RCW 31.04.165.
Proposed in compliance with OFM Guidance 3.a. dated October 12, 2011

Statute being implemented: Chapter 31.04 RCW

Is rule necessary because of a:

Federal Law? Yes No
Federal Court Decision? Yes No
State Court Decision? Yes No

If yes, CITATION:

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: | Charlie Clark | 150 Israel Rd. SW Tumwater WA 98501 | 360-902-0511 |
| Enforcement: | Charlie Clark | 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: July 18, 2018

Name: Charles Clark

Title: Director, Division of Consumer Services

Signature:

