



State of Washington

DEPARTMENT OF FINANCIAL INSTITUTIONS

DIVISION OF CONSUMER SERVICES

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October 1, 2010

**Concise Explanatory Statement**

Pursuant to RCW 34.05.325(6)

Rule Amendments to the Consumer Loan Act (CLA), chapter 31.04 RCW and chapter 208-620  
WAC

**Agency reasons for adopting the rules.** (RCW 34.05.325(6)(a)(i))

The proposed amendments implement amendments to the law from the Laws of 2010 and provide clarification and consistency to the rules.

**Describe differences between the text of the proposed rules as published in the Washington State Register and the text of the rules as adopted, other than editing changes, stating the reasons for differences.** (RCW 34.05.325(6)(a) (ii))

See Attachment 1.

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

DFI began soliciting comments on the amendments to the laws very early in the rulemaking process. The comment period was open until September 24, 2010. Following are excerpts or summaries of the written comments. The written comments in their entirety are available on our website.

I. Summary of written comments received: See Attachment 2.

II. Summary of oral comments received during the public hearing held September 16, 2010, on the Capitol Campus, Olympia, Washington: The complete audio of the hearing is available on our website.

See also written comments dated September 24, 2010. Mr. Echols commented on the concern that the Consumer Loan Act regulates both residential and non-residential lending. The industry would like to discuss the possibility of bifurcating the act into two parts to separate the residential and non-residential regulations. Mr. Echols also commented specifically on the following sections:

231 – clarify this section applies to mortgage loans

420 – concerned about the proposed language for name use when advertising

560(2) – would like to see a specific dollar amount indicated in returned check fees

830 – clarify this section applies to mortgage loans

900 – clarify this section applies to mortgage loans

## **CONCLUSION**

The proposed amendments implement the Laws of 2010. The proposed amendments also provide clarification and consistency to the rules. DFI made the proposed rules available to all interested parties and published the proposed amendments on the department website along with all rulemaking notices and audio of public meetings. The final proposed rules are the product of an open, deliberative process.