
HOUSE BILL 1104

State of Washington

67th Legislature

2021 Regular Session

By Representative Ryu; by request of Department of Financial Institutions

Prefiled 01/07/21.

1 AN ACT Relating to extending the operation of the mortgage
2 lending fraud prosecution account until June 30, 2027; amending RCW
3 36.22.181 and 43.320.140; providing expiration dates; and declaring
4 an emergency.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 **Sec. 1.** RCW 36.22.181 and 2016 c 7 s 2 are each amended to read
7 as follows:

8 (1) Except as provided in subsection (2) of this section, a
9 surcharge of one dollar shall be charged by the county auditor at the
10 time of recording of each deed of trust, which will be in addition to
11 any other charge authorized by law. The auditor may retain up to five
12 percent of the funds collected to administer collection. The
13 remaining funds shall be transmitted monthly to the state treasurer
14 who will deposit the funds into the mortgage lending fraud
15 prosecution account created in RCW 43.320.140. The department of
16 financial institutions is responsible for the distribution of the
17 funds in the account and shall, in consultation with the attorney
18 general and local prosecutors, develop rules for the use of these
19 funds to pursue criminal prosecution of fraudulent activities within
20 the mortgage lending process.

1 (2) The surcharge imposed in this section does not apply to
2 assignments or substitutions of previously recorded deeds of trust.

3 (3) This section expires June 30, (~~(2021)~~) 2027.

4 **Sec. 2.** RCW 43.320.140 and 2016 c 7 s 1 are each amended to read
5 as follows:

6 (1) The mortgage lending fraud prosecution account is created in
7 the custody of the state treasurer. All receipts from the surcharge
8 imposed in RCW 36.22.181, except those retained by the county auditor
9 for administration, must be deposited into the account. Except as
10 otherwise provided in this section, expenditures from the account may
11 be used only for criminal prosecution of fraudulent activities
12 related to mortgage lending fraud crimes. Only the director of the
13 department of financial institutions or the director's designee may
14 authorize expenditures from the account. The account is subject to
15 allotment procedures under chapter 43.88 RCW, but an appropriation is
16 not required for expenditures.

17 (2) This section expires June 30, (~~(2021)~~) 2027.

18 NEW SECTION. **Sec. 3.** This act is necessary for the immediate
19 preservation of the public peace, health, or safety, or support of
20 the state government and its existing public institutions, and takes
21 effect immediately.

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