

# Judicial Impact Fiscal Note

<b>Bill Number:</b> 1464 HB	<b>Title:</b> Home equity sharing	<b>Agency:</b> 055-Administrative Office of the Courts
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## Part I: Estimates

☒ No Fiscal Impact

**Estimated Cash Receipts to:**

NONE

**Estimated Expenditures from:**

NONE

**Estimated Capital Budget Impact:**

NONE

*The revenue and expenditure estimates on this page represent the most likely fiscal impact. Responsibility for expenditures may be subject to the provisions of RCW 43.135.060.*

Check applicable boxes and follow corresponding instructions:

- ☐ If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note for Parts I-V.
- ☐ If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- ☐ Capital budget impact, complete Part IV.

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199,497.00

Request # 066-1

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact on the Courts

This bill creates processes and license requirements for home equity sharing agreements and allows the director of Department of Financial Institutions to bring actions in Superior Court. Administrative Procedure Act and Consumer Protection Act apply.

- Section 1 definitions.
- Section 2 clarifies that home equity sharing agreements in accordance with this chapter are not a mortgage loan.
- Section 3 requires a license to conduct business as a home equity sharing agreement originator.
- Sections 4-9 describe and detail the licensing procedures.
- Section 10 describes disclosure requirements including disclosure of a lien to be placed on the property.
- Section 11 prohibited acts by the person to be licensed.
- Section 12 violations.
- Section 14 investigations.
- Section 16 gives the director "power, and broad administrative discretion, to administer and interpret this chapter to facilitate the delivery of home equity sharing agreement services to the citizens of this state." Allows the director to bring an action in superior court. Upon proper showing, injunctive relief or a temporary restraining order shall be granted.
- Section 17 If no specific penalty prescribed for violations, the penalty is a Gross Misdemeanor.
- Section 18 clarifies which proceedings are governed by the administrative procedure act (Ch 34.05 RCW).
- Section 19 if a person subject to action does not appear for administrative hearings, the person is deemed to consent to the action. Director may recover the state's costs and expenses unless director determines no violation occurred.
- Section 20 specifies that violations of this chapter are unfair and deceptive acts or practices in violation of RCW 19.86.020 and remedies provided by 19.86 are cumulative and not exclusive.

II. B - Cash Receipts Impact

none

II. C - Expenditures

No or minimal fiscal impact to the Administrative Office of the Courts.

Part III: Expenditure Detail

III. A - Expenditure By Object or Purpose (State)

NONE

III. B - Expenditure By Object or Purpose (County)

NONE

III. C - Expenditure By Object or Purpose (City)

NONE

III. D - FTE Detail

NONE

III. E - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B1 - Expenditures by Object Or Purpose (State)

NONE

199,497.00

Form FN (Rev 1/00)

**IV. B2 - Expenditures by Object Or Purpose (County)**

NONE

**IV. B3 - Expenditures by Object Or Purpose (City)**

NONE

**IV. C - Capital Budget Breakout**

*Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.*

NONE

none