

2023 - REQUESTING EXEMPTIONS UNDER THE FORECLOSURE FAIRNESS ACT -

REVISED DUE TO HB 1349

Text of [HB 1349](#)

On May 1, 2023, Governor Inslee signed HB 1349 into law and its revisions to the beneficiary exemption process take effect immediately.

In order to be exempt from mediation and/or mediation fees for 2023, all eligible financial institutions must submit or resubmit a request to the Department of Commerce between May 1, 2023 and May 31, 2023.

PLEASE NOTE THAT THE NAME OF THE FINANCIAL INSTITUTION MUST MATCH THAT INSTITUTION'S LISTING AT EITHER FDIC.GOV OR NCUA.GOV

DO NOT MAIL HARD COPIES!

ONLY ELECTRONIC SUBMISSIONS TO: foreclosuremediation@commerce.wa.gov WILL BE PROCESSED

Information for Financial Institutions and Beneficiaries

Financial institutions may certify two types of exemption: (1) exemption from payment of fees, and (2) exemption from foreclosure mediation. Exemption status certifications must be submitted to the Washington State Department of Commerce annually.

Which institutions are exempt from payment of fees under the Foreclosure Fairness Act?

Federally insured depository institutions, as defined in 12 U.S.C. Sec. 461(b)(1)(A)¹, are exempt from payment of fees IF they certify under penalty of perjury to Department of Commerce that fewer than 50 notices of trustee's sale were recorded on its behalf in 2019.

¹ We interpret "federally insured depository institutions, as defined in 12 U.S.C. Sec. 461(b)(1)(A)" to mean that a beneficiary must be BOTH federally insured AND a depository institution as defined in 12 U.S.C. Sec. 461(b)(1)(A).

In order to receive this exemption status, financial institutions must submit or resubmit an exemption from fees certification to Department of Commerce between May 1, 2023 and December 31, 2023.

Which institutions are exempt from mediation under the Foreclosure Fairness Act?

Federally insured depository institutions, as defined in 12 U.S.C. Sec. 461(b)(1)(A)1, are exempt from foreclosure mediation in Washington State IF they certify under penalty of perjury to Department of Commerce that they were not a beneficiary² of deeds of trust in more than 250 trustee sales of owner-occupied residential real property that occurred in this state during 2019. In order to receive this exemption status, financial institutions must submit an exemption from foreclosure mediation certification to Department of Commerce between May 1, 2023 and May 31, 2023.

How do we certify exemption status?

To certify your annual exemption from fees and/or mediation, please choose one of the three exemption templates posted on our website at www.commerce.wa.gov/foreclosures under the “Financial Institutions” header. Make sure you use your financial institution’s letterhead and have the exemption letter signed by a corporate officer under penalty of perjury.

Please include an email and telephone number for us to contact you, should we have any questions. Exemption from mediation certificates must be received (by email only) no later than May 31, 2023, in order for your financial institution to receive exemption from foreclosure mediation status that year. Exemption from fees certificates may be submitted (by email only) between May 1, 2023 and December 31, 2023.

Email certifications to: foreclosuremediation@commerce.wa.gov

² “Beneficiary” is defined in [RCW 61.24.005\(2\)](#).