

WEST VIRGINIA LEGISLATURE

2026 REGULAR SESSION

Committee Substitute

for

Senate Bill 573

BY SENATOR AZINGER

[Reported January 29, 2026, from the Committee on
Banking and Insurance]

1 A BILL to amend and reenact §31-17-9 of the Code of West Virginia, 1931, as amended, relating
2 to requirements for disclosures and recordkeeping by any licensee or person making a
3 mortgage loan; reinforcing state law regarding late fees; mandating disclosure of late
4 payment penalty maximum; requiring borrower's signature on closing statement;
5 modifying form references; and providing that a separate, state-specific closing disclosure
6 is not required if all mandated information is contained in federal closing disclosures.

Be it enacted by the Legislature of West Virginia:

**ARTICLE 17. WEST VIRGINIA RESIDENTIAL MORTGAGE LENDER, BROKER AND
SERVICER ACT.**

**§31-17-9. Disclosure; closing statements; other records required; record-keeping
requirements.**

1 (a) Any licensee or person making on his or her own behalf, or as agent, broker, or in other
2 representative capacity on behalf of any other person, a primary or subordinate mortgage loan
3 shall at the time of the closing furnish to the borrower a complete and itemized closing statement
4 which shall show in detail:
5 (1) The amount and date of the note or primary and subordinate mortgage loan contract
6 and the date of maturity;
7 (2) The nature of the security;
8 (3) The finance charge rate per annum and the itemized amount of finance charges and
9 additional charges;
10 (4) The principal and total of payments;
11 (5) Disposition of the principal;
12 (6) A description of the payment schedule;
13 (7) The terms on which additional advances, if any, will be made;

(8) The charge to be imposed for past-due installments, including the late payment penalty maximum;

16 (9) A description and the cost of insurance required by the lender or purchased by the
17 borrower in connection with the primary or subordinate mortgage loan;

(10) The name and address of the borrower and of the lender; and

19 (11) That the borrower may prepay the primary or subordinate mortgage loan, in whole or
20 in part, on any installment date and that the borrower will receive a rebate in full for any unearned
21 finance charge.

Such detailed closing statement shall be signed by the broker, lender, or closing representative and by all borrowers and a completed and signed copy thereof is retained by the broker or lender and made available at all reasonable times to the borrower, the borrower's successor in interest to the residential property, or the authorized agent of the borrower, or the borrower's successor, until the time as the indebtedness is satisfied in full. Providing a ~~HUD-1 or~~ ~~HUD-1A settlement statement~~ the closing disclosure required by the Truth-In-Lending Act (TILA)- Real Estate Settlement Procedures Act (RESPA) Integrated Disclosure (TRID) Rules or applicable federal closing disclosure that provides the ~~disclosures~~ loan details required by this subsection, including the late payment penalty language set forth by §46A-3-112 and §46A-3-113 of this code, and the residential mortgage disclosures required by federal law is considered to meet the requirements of this subsection. A separate state-specific closing disclosure is not required if the federal closing disclosure contains all information required under state and federal law.

35 The commissioner may, from time to time, by rules prescribe additional information to be
36 included in a closing statement.

37 (b) Upon written request from the borrower, the holder of a primary or subordinate
38 mortgage loan instrument shall deliver to the borrower, within 10 business days from and after

39 receipt of the written request, a statement of the borrower's account as required by §46A-2-114
40 of this code.

41 (c) Upon satisfaction of a primary or subordinate mortgage loan obligation in full, the holder
42 of the instrument evidencing or securing the obligation shall comply with the requirements of §38-
43 12-1 of this code in the prompt release of the lien which had secured the primary or subordinate
44 mortgage loan obligation.

45 (d) Upon written request or authorization from the borrower, the holder of a primary or
46 subordinate mortgage loan instrument shall send or otherwise provide to the borrower or his or
47 her designee, within three business days after receipt of the written request or authorization, a
48 payoff statement of the borrower's account. Except as provided by this subsection, no charge
49 may be made for providing the payoff statement. Charges for the actual expenses associated with
50 using a third-party courier delivery or expedited mail delivery service may be assessed when this
51 type of delivery is requested and authorized by the borrower following disclosure to the borrower
52 of its cost. The payoff information is provided by mail, telephone, courier, facsimile, or other
53 transmission as requested by the borrower or his or her designee.

54 (e) A licensee shall keep and maintain for 36 months after the date of final entry the
55 business records regarding residential mortgage loans applied for, brokered, originated, or
56 serviced in the course of its business.