

# **WEST VIRGINIA LEGISLATURE**

## **2026 REGULAR SESSION**

**Introduced**

### **Senate Bill 667**

By Senator Morris

[Introduced January 29, 2026; referred

to the Committee on the Judiciary]

1 A BILL to amend and reenact §46A-6K-2 of the Code of West Virginia, 1931, as amended, relating  
2 to definitions to the settlement process for real estate transactions, including loan closings,  
3 disbursement of loan funds and settlement proceeds, parties involved, and the role of  
4 settlement agents under the West Virginia Good Funds Settlement Act.

*Be it enacted by the Legislature of West Virginia:*

**ARTICLE 6K. GOOD FUNDS SETTLEMENT ACT.**

**§46A-6K-2. Definitions.**

1 (a) "Collected funds" or "good funds" means moneys used to fund the disbursement of  
2 settlement proceeds deposited and irrevocably credited to a settlement agent's account.

3 (b) "Disbursement of loan funds" means the delivery of the loan funds by the lender to the  
4 settlement agent in the form of:

5 (1) Cash;

6 (2) Wired funds;

7 (3) Certified check;

8 (4) Checks issued by the United States treasury, the State of West Virginia or an  
9 instrumentality of the United States or state of West Virginia;

10 (5) Cashier's check or teller's check or other similar draft or obligation of a federally insured  
11 bank, savings bank, savings and loan association or credit union or of any holding company or  
12 wholly owned subsidiary of the foregoing;

13 (6) Checks issued by a licensed lender qualified to do business in West Virginia which has  
14 posted the surety bond required by subsection (b), section four, article seventeen, chapter thirty-  
15 one of this code;

16 (7) Checks issued by an insurance company licensed and regulated by the West Virginia  
17 Insurance Commission, which checks are drawn on a federally insured financial institution;

18 (8) Checks drawn on the escrow account of an attorney licensed to practice law in West  
19 Virginia or on the escrow account of a real estate broker licensed in West Virginia; or

20 (9) Personal check or checks in an aggregate amount not exceeding \$5,000 per loan  
21 closing.

22 (c) "Disbursement of settlement proceeds" means the payment of all proceeds of the  
23 transaction by the settlement agent to the persons entitled thereto.

24 (d) "Lender" means any person regularly engaged in making loans secured by deeds of  
25 trust to secure debt on West Virginia real estate. A person is considered to be regularly engaged in  
26 making loans if he or she makes more than five such loans in any one calendar year.

27 (e) "Loan closing" means that time agreed upon by the borrower, lender, seller, if  
28 applicable, and settlement agent when the execution by the borrower and delivery of the loan  
29 documents to the settlement agent occur.

30 (f) "Loan documents" means the note evidencing the debt due the lender, the deed of trust,  
31 or mortgage securing the debt due to the lender, and any other documents required by the lender  
32 to be executed by the borrower as a part of the transaction.

33 (g) "Loan funds" means the gross or net proceeds of the loan to be disbursed by or on  
34 behalf of the lender at loan closing.

35 (h) "Parties", as used in this subsection, means the seller, purchaser, borrower, lender and  
36 the settlement agent, as applicable.

37 (i) "Settlement" means the time when the settlement agent has received the duly executed  
38 deed, loan funds, loan documents and other documents and funds required to carry out the terms  
39 of the contract between the parties.

40 (j) "Settlement agent" means the person authorized by law to be responsible for conducting  
41 the settlement and disbursement of the settlement proceeds, that is a licensed attorney, or has  
42 access to a licensed attorney during any loan closing or settlement or disbursement of settlement  
43 proceeds.

NOTE: The purpose of this bill is to amend the definition of "Settlement Agent."

Strike-throughs indicate language that would be stricken from a heading or the present law

and underscoring indicates new language that would be added.