

# **WEST VIRGINIA LEGISLATURE**

**2016 REGULAR SESSION**

**Enrolled**

**Committee Substitute**

**for**

**Senate Bill 468**

BY SENATORS GAUNCH AND ASHLEY, ORIGINAL

SPONSORS

[Passed March 11, 2016; in effect 90 days from  
passage]

1 AN ACT to amend and reenact §46A-6K-3 of the Code of West Virginia, 1931, as amended,  
2 relating to allowing accrual of interest during rescission period on a loan during the  
3 rescission period required under the federal Truth-in-Lending Act; providing exception if  
4 the loan is rescinded; and providing exception if the loan is for the purpose of paying in  
5 full a prior loan made by the same lender.

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

1 That §46A-6K-3 of the Code of West Virginia, 1931, as amended, be amended and  
2 reenacted to read as follows:

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

**§46A-6K-3. Duty of lender; accrual of interest.**

1 The lender shall, at or before loan closing, cause disbursement of loan funds to the  
2 settlement agent; however, in the case of a refinancing, or any other loan where a right of  
3 rescission applies, the lender shall, within one business day after the expiration of the rescission  
4 period required under the federal Truth-in-Lending Act (15 U. S. C. §1601 *et seq.*), cause  
5 disbursement of loan funds to the settlement agent, unless the loan is rescinded by the customer.  
6 All funds disbursed by the lender to the settlement agent must be collected funds. The lender  
7 may charge and receive interest on the loan during the rescission period required under the  
8 federal Truth-in-Lending Act (15 U. S. C. §1601 *et seq.*): *Provided*, That the lender may not  
9 receive any interest if the loan is rescinded by the customer: *Provided, however*, That the lender  
10 may not charge or receive interest on the loan during the rescission period, if the loan is for the  
11 purpose of paying a prior loan made by the same lender in full.