

HB 2497-S - DIGEST

(DIGEST AS ENACTED)

Provides that a "business loan" means a loan or extension of credit granted to a business entity that: (1) Is owned and operated by a service member, in which the service member is either (a) a sole proprietor, or (b) the owner of at least fifty percent of the entity; and

(2) Experiences a material reduction in revenue due to the service member's military service.

Provides that, upon the request of a service member with a qualifying business loan, the financial institution must restructure the interest rate of the loan to the equivalent provisions in the federal servicemembers civil relief act (50 U.S.C. App. 501 et seq.). The service member must notify the institution at least five days prior to the beginning of military service and submit official documentation that substantiates their eligibility for the protections of chapter 38.42 RCW.

Applies only to loans with an outstanding balance of less than one hundred thousand dollars at the time the service member is called to military service.

Applies only to business loans executed on or after January 1, 2007.