



WET/DRY SETTLEMENT

This matrix is distributed to provide general information about the subject matter covered and should not be utilized as a substitute for professional advice for your specific situation. If you require such advice, please consult with your own professional advisers.

Wet Settlement: Funds and all loan conditions need to be on the table at the time of closing.

Dry Settlement: There are no funds available at closing.

| STATE | WET/DRY | NOTES | CITATIONS |
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| Alabama | Wet | A lawyer is prohibited from disbursing a client's funds from separate accounts unless the funds are collected. At his or her own risk, a lawyer may disburse uncollected funds if he or she has a reasonable or prudent belief that a deposit of an instrument payable at or through a bank representing the client's funds will be collected promptly. | AL Rules of Professional Conduct, Rule 1.15(d) Safekeeping Property |
| Alaska | See Notes | In regards to Small Act loans (Loans <= \$25K), then wet funding; All other loans, then dry funding. Loan proceeds need to be delivered by the date the loan is made to the borrower. If proceeds are delivered by mail, then they must be registered or certified, and interest must be charged only from the date the proceeds are received by the borrower even though the note may bear a prior date. | AS 03.12.370.20(a) |
| Arizona | Dry | There are no laws requiring lenders or brokers to disburse funds at closing, but the law does address escrow agents. Escrow agents may only disburse money out of an escrow account if deposits are previously made and relate directly to the transaction for which the money is being disbursed. The form of deposits include: 1. Wire transfer; 2. Certified check; 3. Cashier's check; 4. Teller's check; 5. A check made by an affiliate of a state or federally regulated deposit institution where the check is drawn on the affiliated depository institution. | Ariz. Rev. Stat. § 6-947, 6-843 |
| Arkansas | Wet | Any person that provides closing or settlement services shall disburse loan funds when they are received and are available for immediate withdrawal as a matter of right from a financial institution. The person providing closing or settlement services may advance an amount not exceeding \$500 to pay for any incidental fees and charges incurred in the transaction. | Ark. Code Ann. § 18-12-703 |
| California [CFL, REB/DRE & RML] | See Notes | There are no laws requiring lenders or brokers to disburse funds at closing, but the law does address escrow agents. Good funds from a loan funding escrow may not be disbursed until the checks or drafts deposited are collected. The following are three factors in determining when a check or draft has been collected: 1. If by cash or via wire transfer, funds may be disbursed the same day as the deposit; 2. If by cashier's or teller's check, funds may be disbursed the day following deposit; 3. If by personal check, funds must be disbursed the day on which it is available to depositors under Regulation CC adopted by the Federal Reserve. | Cal. Ins. Code § 12413.1 |



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| Colorado | Wet | Any person that provides closing or settlement services shall disburse loan funds when they are received and are either: available for immediate withdrawal as a matter of right from the financial institution, or available for immediate withdrawal as a consequence of an agreement of a financial institution in which the funds are to be deposited or a financial institution upon which the funds are to be drawn. "Available for immediate withdrawal" means loan funds transferred by: 1. Wire transfer; 2. Certified check; 3. Cashier's check; 4. Teller's check; or 5. Any other instrument as defined by 12 CFR 229.10. The person providing settlement services may advance an amount not exceeding \$500 to pay for any incidental fees, such as recording costs and tax certificates. | Colo. Rev. Stat. § 38-35-125; 12 CFR 229.10 |
| Connecticut | Wet | First mortgage lenders must pay loan proceeds to the borrower, the borrower's attorney, or the lender's attorney by a wire transfer, a certified check, bank treasurer's or cashier's check. Licensed non-bank first or second mortgage lenders that use wire transfers as a mean of disbursement to borrower's closing attorney, must transfer loan proceeds no later than the scheduled date and time of loan closing to the closing attorney's bank account. For rescindable loans, such loan proceeds must be transferred no later than the date the loan proceeds are disbursed into the closing attorney's bank account. All Loans: Connecticut closing attorneys should not disburse loan funds from their client's account until the proceeds have been credited to such accounts as of the time of disbursement or loan closing. | Conn. Gen. Stat. § 36a-758, 36a-758a; Connecticut Statewide Grievance Committee Ethics Opinion 99-1 |
| Delaware | Wet | Delaware does not have a wet settlement act, but there is a "good funds" rule applicable to lawyers. Delaware has a good fund rule that allows a lawyer to disburse funds by: 1. Wire transfer; 2. Cash; 3. Certified check; 4. Bank cashier's check or treasurer's check; 5. U.S. or DE Treasury check; 6. Check drawn on a separate trust or escrow account of an attorney engaged in the private practice of law in DE, held in a fiduciary capacity, including his or her client's funds; 7. Check of an insurance company that is authorized by the Insurance Commissioner of DE to transact insurance business in DE; 8. Check no greater than \$2K; 9. Check greater than \$2K, which has been actually and finally collected and may be drawn against under federal or state banking regulations then in effect; or 10. Check drawn on an escrow account of a real estate broker licensed by the State of DE up to the limit of guarantee provided per transaction by statute. | DE ST RPC Rule 1.15 |
| District of Columbia | Wet | Transactions involving purchase money loans secured by first or second deeds of trust only; Lenders must provide the loan funds to the settlement agent at or before closing. Until disbursement of loan funds and loan closing occurs, lender shall not receive or charge any interest, and shall not require payment of any interest in advance. | D.C. Code § 42-2402, 42-2403 |
| Florida | Wet | Florida does not have a "good funds" or "wet settlement" act; however, under a rule of the Department of Insurance, title companies must have good funds on hand before they are permitted to disburse the proceeds of a loan. Exceptions include the checks of attorneys admitted in practice in FL and the checks of licensed real estate brokers. | |
| Georgia | Wet | Funds from a loan proceed may not be disbursed by the closing agent unless the funds are collected or under one of the following forms: 1. Cashier's check from a federally insured bank, savings bank, savings and loan association, or credit union and issued by a lender; 2. A check from the U.S. or state agency; 3. A check not exceeding \$5K per loan closing; or 4. A check drawn on the escrow account of a licensed attorney or a real estate broker. | GA ST § 44-14-13 |
| Hawaii | Dry | There are no rules, regulations, or laws obligating the disbursement of funds at closing. | None |



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| Idaho | Dry | There are no laws requiring lenders or brokers to disburse funds at closing, but the law does address escrow agents. If a licensed escrow agent conducts the closing, then the agent may only disburse collected funds in the following forms: 1. Wired funds; 2. Cash; 3. Cashier's, certified, or teller's checks; or 4. Any other specified types of checks which will be collected on the next or second business day after the deposit. Escrow agents may advance their own funds up to \$1K to pay for any incidental expenses incurred at escrow. | ID ADC 18.01.25.011 |
| Illinois | Wet | Prior to closing, the lawyer shall deposit loan funds into a segregated Real Estate Funds Account (REFA) maintained solely for the receipt and disbursement of loan funds. Good funds is one of the following forms of deposits: 1. Certified check; 2. Cashier's check; 3. Teller's check; 4. Bank money order; 5. An official bank check issued by a financial institution insured by the FDIC or comparable federal or state government agency; 6. A check issued by the U.S., IL, or a political subdivision of the U.S. or IL; 7. A check drawn on the trust account of any lawyer or real estate broker; 8. A personal check or a check in an aggregate amount not exceeding \$5K per closing; 9. Check from a HUD approved lender; or 10. A check from title insurance company or agent. | Article VIII. IL Rules of Professional Conduct Rule 1.15(g) |
| Indiana | Wet | There are no rules, regulations, or laws obligating the disbursement of funds at closing; however, the "general practice" in this state is wet. | None |
| Iowa | Wet | There are no rules, regulations, or laws obligating the disbursement of funds at closing; however, the "general practice" in this state is wet. | None |
| Kansas | Wet | Creditor must disburse the loan proceeds of a consumer loan secured by a first or a second mortgage upon the satisfaction of all conditions to the disbursement and the expiration of all applicable rescission, cooling-off or other waiting periods required by law, unless the parties agree otherwise in writing. | Kan. Stat. Ann. § 16a-3-308a |
| Kentucky | Wet | There are no rules, regulations, or laws obligating the disbursement of funds at closing; however, the "general practice" in this state is wet. | None |
| Louisiana | Wet | Lender shall make the loan proceeds available to the notary public or licensed title company for disbursement at the time of execution of the act of sale or act of mortgage. The above shall not apply if: 1. Loan proceeds are paid or made available in cash, check, cashier's check, traveler's check, share draft, or money order issued by a financial institution; or 2. Notary public or licensed title company fails to comply with the lending institution's written closing instructions. | La. Rev. Stat. Ann. § 9:3506.1 |
| Maine | Wet | In regards to closed-end loans, then yes; All other loans, then no. At or before loan closing, lenders must disburse loan funds to the settlement agent; however, when a right of rescission applies and has not been exercised, the lender must disburse loan funds to the settlement agent prior to noon of the first business day after the expiration of the rescission period. Disbursement of funds is one of the following: 1. Wired funds or electronic transfer; 2. Cash; 3. Certified check; 4. Cashier's check; 5. Teller's check; 6. Any transfer of funds by check or otherwise that is finally collected and unconditionally available to the settlement agent; 7. Check issued by a governmental entity or instrumentality; 8. Checks drawn by a state or federal chartered financial institution or credit union; 9. Checks issued by an insurance company authorized to transact business in ME. Settlement agents must record required documents and disburse settlement proceeds within 2 business days of settlement, or when any right of rescission applies, at the time that the settlement agent reasonably determines that such right of rescission has not been exercised. | Me. Rev. Stat. Ann. tit. 33, § 522 through 525 |



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| Maryland | Wet | With purchase money mortgage loans, all lenders must disburse loan proceeds in accordance with the loan documents to the settlement agent under one of the following forms: 1. Cash; 2. Wired fund; 3. Certified check; 4. Cashier's check; 5. Check issued by a political subdivision or on behalf of a governmental entity; 6. Teller's check issued by a depository institution and drawn on another depository institution. If loan is secured by a purchase money mortgage or deed of trust on real property located in this State, the loan proceeds may also be disbursed in the form of a check drawn on a financial institution insured by the Federal Deposit Insurance Corporation (FDIC) and located in the 5th Federal Reserve District if the lender is: 1. An affiliate or subsidiary of a financial institution insured by the FDIC or the National Credit Union Administration Share Insurance Program; or 2. A mortgage company approved by the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation. | MD REAL PROP § 7-109 |
| Massachusetts | Wet | A lender may not cause a borrower to execute loan documents until the lender transfers the loan proceeds to the borrower, the borrower's attorney, or the lender's attorney. Transfer of loan proceeds is one of the following: 1. Wire transfer; 2. Certified check; 3. Bank treasurer's check; 4. Cashier's check; or 5. Or other type of good funds. | MA ST 183 § 63B |
| Michigan | Wet | There are no rules, regulations, or laws obligating the disbursement of funds at closing; however, the "general practice" in this state is wet. The legislature has considered enacting a "good funds" law, but has not done so. | None |
| Minnesota [ILT] | Wet | A lender that is using the closing services of a closing agent, shall deliver the loan funds at or before closing to the closing agent either in the form of "collected funds" or "qualified loan funds." "Collected funds" means funds deposited, finally settled, and credited to the closing agent's escrow account. "Qualified loan funds" means one of the following: 1. Lawful money of the U.S.; 2. Wired funds; 3. Bank money orders; 4. Cashier's check; 5. Certified checks; 6. Teller's check issued by a federally insured financial institution and unconditionally held by the closing agent; 7. U.S. treasury check; 8. Federal Reserve Bank check; 9. Federal home loan bank check; or 10. State of MN warrants. The law also requires closing agents to require collected funds or qualified loan funds at closing unless the closing agent has an established business relationship with the lender (e.g. has performed at least 25 residential closings on behalf of lender). | Minn. Stat. § 82.49 |
| Mississippi | Wet | There are no laws concerning the disbursement of funds at closing; however, Mississippi Mortgage Consumer Protection Law (MMCPL) prohibits a mortgage company from failing to disburse loan funds in accordance with an agreement to make a mortgage loan or a written commitment. | Miss. Code Ann. § 81-18-27(1)(c) |
| Missouri | Wet | The wet settlement act applies to lenders who are not "financial institutions." A settlement agent who accepts funds of more than \$10K for closing a sale of interest must require a buyer, seller, or lender to deliver "certified funds" to the settlement agent. "Certified funds" are in the following form: 1. U.S. currency; 2. Wire transfer, including written advice from a financial institution that collected funds have been credited to the settlement's agent's account; 3. Cashier's check; 4. A certified check; or 5. Teller's check. A check that is drawn on any of the following, are exempt from the above requirements: 1. An escrow account of a licensed real estate broker or title insurer licensed to do business in MO; 2. The county, municipality or state of MO; 3. An agency of the U.S.; or 4. An account by a financial institution. Title insurance agencies and agents are prohibited in making any disbursement in excess of \$10K from an escrow account maintained as a depository of funds unless a corresponding deposit of funds has been made to the escrow account for the benefit of the payee at least 10 days prior to such disbursement which consisted of certified funds or a check made exempt by the above provisions. | Mo. Rev. Stat. § 381.410, 381.412 |
| Montana | Wet | There are no rules, regulations, or laws obligating the disbursement of funds at closing; however, the "general practice" in this state is wet. | None |



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| Nebraska | Wet | Good funds must be available for disbursement at the time of closing the real estate transaction in the following forms: 1. Lawful money of the U.S.; 2. Wired funds; 3. Bank money orders; 4. Cashier's check; 5. Certified checks; 6. Teller's check issued by a federally insured financial institution and unconditionally held by the closing agent; 7. U.S. treasury check; 8. Federal Reserve Bank check; 9. Federal home loan bank check; or 10. State of MN warrants, and warrants of a city of the metropolitan or primary class. | Neb. Rev. Stat. § 76-2,121, 76-2,122 |
| Nevada | Dry | There are no rules, regulations, or laws obligating the disbursement of funds at closing. | None |
| New Hampshire | Wet | At closing, first and second mortgage lenders must provide funds in one of the following forms: 1. Wired funds or electronic transfer; 2. Cash; 3. Certified check; 4. Cashier's check; 5. Teller's check; 6. Treasurer's check; 7. Checks issued by a governmental entity or instrumentality; 8. Checks or other drafts that are finally collected and unconditionally available to settlement agent; 9. Checks or other drafts drawn by a state or federal chartered financial institution or credit union; or 10. Checks issued by an insurance company licensed by the NH Department of insurance. | NH ST § 397-A:14-b, 477:52 |
| New Jersey | Wet | With respect to first mortgage loans and HELOCs, when a closing agent is used, a mortgage lender or broker shall not fail to: 1. Present certified, cashier's, teller's, or bank checks for the proceeds; 2. Arrange an electronic funds transfer for the proceeds of the loan; or 3. Provide for payment by cash to the closing agent at a reasonable time and place prior to the time of the closing. The closing agent shall deposit the loan proceeds in a trust or escrow account and shall disburse loan proceeds upon the closing or settlement. When no closing agent is used, a mortgage lender or broker is not required to provide good funds (as described above) at closing. | N.J. Rev. Stat. § 17:11C-22;(k) |
| New Mexico | Dry | N.M. Stat. Ann. § 48-7-10.1 was repealed by L.2005, Ch. 191, § 4, effective January 1, 2006. | N.M. Stat. Ann. § 48-7-10.1 |
| New York | See Notes | Closed-end loans: Wet funding; Open-end loans: Dry funding; Mortgage bankers and brokers, and exempt organizations shall disburse loan proceeds in one of the following forms: 1. Direct deposit to customer's account; 2. Wire transfer; 3. Bank or certified check; or 4. An attorney's check drawn on a trust account. Any entity may apply to the superintendent for a waiver of the requirements above by demonstrating in a letter that it has or shall adopt another disbursement of loan proceeds which shall satisfy the purposes above. | 3 NY ADC 38.7;(a)(7); 3 NY ADC 39.5 |
| North Carolina | Wet | Prior to the disbursement of loan funds, the settlement agent must record the deed of trust or mortgage required to be recorded at settlement and must have verification that the closing funds used for disbursement are deposited in the settlement agent's escrow or trust account. Settlement agents are prohibited from disbursing settlement proceeds unless those proceeds are "collected funds" or in any of the below forms. At or before closing, the lender, purchaser, or seller shall deliver the closing funds to the settlement agent. In the case of a refinancing or any other loan where a right of rescission applies, the closing funds must be disbursed no later than the business day following the expiration of the right to rescission period. These closing funds must be either "collected funds" or one of the following forms: | N.C. Gen. Stat. § 45A-3, 45A-4, 45A-5 |



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| | | 1. A certified check; 2. A check issued by the U.S., state or political subdivision of NC, or an agency, instrumentality, or an agricultural credit association of the U.S.; 3. A cashier's or teller's check; 4. Official bank check drawn on or issued by a financial institution insured by the FDIC or a comparable agency of the Federal or State government; 5. A check drawn on a trust account of a NC attorney; 6. A personal or commercial check in an aggregate amount not exceeding \$5K per closing if the person making the deposit reasonably believes that the deposit will be irrevocably credited to the settlement agent's escrow or trust account; or 7. A check drawn on the account of or issued by a mortgage banker licensed under the NC Mortgage Lending Act that has posted with the Commissioner a surety bond of at least \$300K. "Collected funds" means funds deposited and irrevocably credited to a settlement agent's account used to fund the disbursement of settlement proceeds which account is a trust account, escrow account, or an account held by a company or its subsidiary which is licensed and supervised by the NC Commissioner of Banks. | |
| North Dakota | Wet | There are no rules, regulations, or laws obligating the disbursement of funds at closing; however, the "general practice" in this state is wet. | None |
| Ohio | Wet | No closing or escrow agent may make a disbursement from an escrow account on behalf of another person unless the funds have been transferred electronically to or deposited into the escrow account of the closing or escrow agent and are available for withdrawal and disbursement, or have been physically received by the agent prior to disbursement and are intended for deposit no later than the next banking day after the date of disbursement. Transferred or deposits described above consist of any of the following forms: 1. Cash; 2. Electronically transferred funds; 3. Certified checks, cashier's checks, official checks, or money orders that are drawn on an existing account at a federally insured or savings bank, savings and loan association, or credit union; 4. A check issued by the U.S. or OH, or by an agency, instrumentality, or political subdivision of the U.S. or OH; 5. A check drawn on the escrow account of a title insurance company or agent, provided that the agent believes that sufficient funds are available; or 6. A personal check in an amount not greater than \$1K. Closing or escrow agents may advance an amount not exceeding \$1K to pay for any incidental fees, such as conveyance or recording fees, in order to close the sale. | Ohio Rev. Code § 1349.21, 1349.22 |
| Oklahoma | Wet | There are no rules, regulations, or laws obligating the disbursement of funds at closing; however, the "general practice" in this state is wet. | None |
| Oregon | Dry | There are no rules, regulations, or laws obligating the disbursement of funds at closing. | None |
| Pennsylvania | Wet | A licensee may not disburse loan proceeds to a closing agent unless loan proceeds are in the form of: 1. Electronic fund transfer; 2. Cash; 3. Certified check; or 4. Cashier's check. The above shall not apply to disbursements by check directly from the licensee's account and payable to the borrower or other parties due funds from the closing. | 63 Pa. Stat. § 456.302, 456.309(a)(3) |
| Rhode Island | See Notes | Purchase money first lien mortgage loans, then yes; All other loans, then no. On or before the date of conveyance and/or recordation, the lender must disburse loan proceeds to settlement agent in one of the following forms: 1. Wired funds; 2. Cash; 3. Cashier's check; 4. Government check or other immediately available funds. | R.I. Gen. Laws § 19-9-10 |
| South Carolina | Wet | There are no rules, regulations, or laws obligating the disbursement of funds at closing; however, the "general practice" in this state is wet. | None |
| South Dakota | Wet | There are no rules, regulations, or laws obligating the disbursement of funds at closing; however, the "general practice" in this state is wet. | None |



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| Tennessee [ILT & RML] | Wet | <p>At or before closing, lender must cause disbursement of loan funds to settlement agent in one of the following forms: 1. Wired funds; 2. Cash; 3. Checks issued by the state or political subdivision of TN; 4. Cashier's check; 5. Teller's check issued by a financial institution and drawn through a financial institution; 6. Checks issued by an instrumentality of the U.S. organized under the Farm Credit Act; 7. A direct deposit by a financial institution to the account of a settlement agent; or 8. Checks issued from the escrow or trust account of a TN licensed real estate broker in an amount not to exceed the earnest money paid by the purchaser and collected in the escrow or trust account. A settlement agent is prohibited from disbursing any funds from an escrow or settlement account until they have received: 1. The disbursed loan funds; 2. Any additional funds a borrower or other third party needs to fully fund the transaction; and 3. All documents required to complete the transaction have been executed and are suitable for recording.</p> <p>If the borrower exercises their right of rescission under the Federal Truth-in-Lending Act, then lender must cause disbursement of loan funds to the settlement agent no later than the first business day after the expiration of the rescission period, and the settlement agent may not disburse any settlement proceeds earlier than the first day after the expiration of the rescission period.</p> | Tenn. Code Ann. § 47-32-101 through 47-32-105 |
| Texas | Wet | <p>The TX wet settlement act requires "good funds" at closing. "Good funds" mean: 1. Cash; 2. Wire transfers; 3. Cashier's check; 4. Teller's check; 5. Any other certified check; 6. State of TX warrants; 7. U.S. treasury checks; 8. Checks drawn on an FDIC-insured institution and for which a transaction code has been issued pursuant to and in compliance with a fully executed Immediately Available Funds Procedure Agreement (Form T-37) with such institution. These funds must be received by the escrow agent before they may be disbursed.</p> | Tex. Ins. Code § 2651.202; Title Insurance Procedural Rule P-27 |
| Utah | See Notes | <p>The wet settlement act applies to title insurance companies, not mortgage companies. The law requires "collected or cleared" funds to be disbursed at closing. "Collected or cleared" means: 1. Cash or wire transfer may be disbursed the same day it is deposited; 2. Cashier's check, certified check, teller's check, U.S. Postal Service money order, or a check drawn on a Federal Reserve Bank or Federal Home Loan Bank may be disbursed on the day following the date of deposit; or 3. Any other check may be disbursed within the time limits provided by the Expedited Funds Availability Act and related regulations of the Federal Reserve System.</p> | Utah Code Ann. § 31A-23a-406; 12 U.S.C. Section 4001 et seq. |
| Vermont | Wet | <p>At or before closing, lender must cause disbursement of loan funds to settlement agent. If a loan has a right of rescission (like refinancing), but has not been exercised, lender shall disburse loan funds prior to 2:00 p.m. Eastern Standard Time of the first business day after the expiration of the rescission period. Until disbursement of loan funds occurs, lender shall not receive or charge any interest on loan. At loan closing, settlement agent shall disburse settlement proceeds. If a loan has a right of rescission, settlement agent shall disburse loan proceeds on the first business day after the expiration of the rescission period.</p> | Vt. Stat. Ann. tit. 9, § 203, 204 |
| Virginia | Wet | <p>First Lien Loans only: Lenders must provide the loan funds to the settlement agent at or before closing in one of the following forms: 1. Cash; 2. Wired funds; 3. Certified check; 4. Check issued by the state or a political subdivision of the state; 5. Cashier's check, or teller's check with equivalent funds availability in conformity with the federal Expedited Funds Availability Act; 6. Checks issued by an insured financial institution or insurance company licensed and regulated by the State Corporation Commission, which checks are drawn on an insured financial institution located within the Fifth Federal Reserve District; 7. Drafts drawn by a credit union on the U.S. Central Credit Union; and 8. Checks issued by a state or federal savings and loan association or savings bank operating in Virginia, which checks are drawn on the Federal Home Loan Bank of Atlanta.</p> | Va. Code § 6.1-2.11, 6.1-2.12, 6.1-2.10, 6.1-2.15, 6.1-2.13:1 |



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| | | However, if a loan has a right of rescission (like refinancing), lender must provide funds to the settlement agent within 1 business day after the expiration of the right of rescission. The settlement agent then must disburse all funds within two business days of settlement. | |
| Washington | Dry | There are no laws requiring lenders or brokers to disburse funds at closing, but the law does address escrow agents. Escrow agents may not make disbursements until the next business day after the funds are deposited, unless the deposit is made in one of the following forms: 1. Cash; 2. Interbank electronic transfer; 3. Negotiable orders of withdrawal; 4. Money orders; 5. Cashier's check; 6. Certified checks that are drawn on financial institutions located in WA; or 7. Any depository check, including any cashier's check, certified check, or teller's check, which is governed by the Federal Expedited Funds Availability Act. | WA ST § 18.44.400 |
| West Virginia | Wet | The Good Funds Settlement Act applies to settlements of loans secured by deeds of trust on owner-occupied residential 1-4 family dwellings. The Act does not apply to construction loans or any other loans where the parties agree to provide for the disbursement of the proceeds in stages. At or before closing, lender must cause disbursement to the settlement agent. In the case of a refinancing or any other loan where a right of rescission applies, the closing funds must be disbursed within 1 business day after the expiration of the right of rescission period required under the Truth-in-Lending Act., unless the loan is rescinded by the borrower. The lender may not charge or receive any interest on the loan until both loan closing and disbursement of loan funds have occurred. "Disbursement of loan funds" means: 1. Wired funds; 2. Cash; 3. A certified check; 4. Check issued by the U.S. treasury or WV, or an instrumentality of the U.S. or WV; 5. Cashier's check, teller's check, or similar draft or obligation of a federally insured bank, savings bank, savings and loan association, credit union, or any holding company or wholly owned subsidiary of the foregoing; 6. Checks issued by a licensed lender in WV which has posted the surety bond required by the Residential Mortgage Lender, Broker, and Servicer Act; 7. Checks issued by an insurance company licensed and regulated by the WV insurance commission, which checks are drawn on a federally insured financial institution; 8. Checks drawn on the escrow account of an attorney licensed to practice law in WV or a real estate broker licensed in WV; or 9. A personal check or a check in an aggregate amount not exceeding \$5K. | W. Va. Code § 46A-6K-1; 46A-6K-2; 46A-6K-3 |
| Wisconsin | Wet | Lenders are required to deliver "qualified loan funds" to the settlement agent before or immediately upon completion of the loan settlement. "Qualified loan funds" means any one of the following: 1. Wire transfer; 2. Cashier's check; 3. Teller's check; 4. A negotiable check on which the lender or its affiliate is the drawee; or 5. The transfer of loan funds by the lender into an account maintained by the lender or its affiliates in favor of the borrower or settlement agent. | Wis. Stat. Ann. § 708.10, 403.104(1) |
| Wyoming | Wet | There are no rules, regulations, or laws obligating the disbursement of funds at closing; however, the "general practice" in this state is wet. | None |