

## **BILL ANALYSIS**

Senate Research Center

H.B. 1493  
By: Wise (Staples)  
Business & Commerce  
5/2/2001  
Engrossed

### **DIGEST AND PURPOSE**

The Texas Savings and Loan Department (department) protects the depositors of Texas by ensuring the safe and sound operation of state-chartered savings institutions. In 1999, the legislature also gave the department the responsibility for licensing mortgage brokers. H.B. 1493 amends the Mortgage Broker License Act regarding provisional licenses for and inspection of mortgage brokers and loan officers.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Finance Commission in SECTION 1 (Section 156.105, Finance Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 156B, Finance Code, by adding Section 156.105, as follows:

Sec. 156.105. STANDARD FORMS. (a) Requires the finance commission, by rule, to adopt one or more standard forms for use by a mortgage broker or loan officer in representing that an applicant for a mortgage loan is preapproved or has prequalified for the loan.

(b) Requires the finance commission to adopt rules requiring a mortgage broker or loan officer licensed under this chapter to use the forms adopted by the finance commission under Subsection (a).

SECTION 2. Amends Section 156.206(b), Finance Code, to require the commissioner to obtain criminal history record information on an applicant that is maintained by the Department of Public Safety and to obtain criminal history record, rather than background, information on an applicant maintained by the Federal Bureau of Investigation.

SECTION 3. Amends Chapter 156C, Finance Code, by adding Section 156.213, as follows:

Sec. 156.213. ANNUAL REPORT. (a) Requires each licensed mortgage broker to file an annual report with the commissioner on a form prescribed by the commissioner. Requires the report to include certain information.

(b) Provides that information contained in the annual report related to loan origination volume or other trade information is confidential and may not be disclosed by the commissioner or any other employee of the Savings and Loan Department.

SECTION 4. Amends Section 156.302(e), Finance Code, to provide that an appeal of an administrative penalty under this section is considered to be a contested case under Chapter 2001, Government Code.

SECTION 5. Requires the Finance Commission of Texas to adopt, that not later than January 1,

2002, adopt the standard forms and rules required by Section 156.105, Finance Code, as added by this Act.

SECTION 6. Effective date: September 1, 2001.