

BILL ANALYSIS

Senate Research Center

S.B. 1577
By: Carona
Business & Commerce
4/5/2003
As Filed

DIGEST AND PURPOSE

Currently, the Mortgage Broker License Act contains various requirements related to mortgage broker license and loan officer license eligibility. As proposed, S.B. 1577 provides additional requirements to becoming an eligible mortgage broker or loan officer, including not having been convicted of, found guilty of, or pled guilty or nolo contendere to, placed on probation for, or granted deferred adjudication for a criminal offense that the savings and loan commissioner (commissioner) determines directly relates to the occupation of a mortgage broker, and convincing the commissioner that the applicant is honest and trustworthy.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Sections 156.204(a) and (c), Finance Code, as follows:

(a) Requires a person, to be eligible to be licensed as a mortgage broker, to not have been convicted of, found guilty of, or pled guilty or nolo contendere to, placed on probation for, or granted deferred adjudication for a criminal offense that the savings and loan commissioner (commissioner) determines directly relates to the occupation of a mortgage broker as specified with respect to criminal convictions in, rather than under, Chapter 53 (Consequences of Criminal Conviction), Occupations Code; to satisfy the commissioner of the individual's moral character, including honesty, trustworthiness, and integrity; and to not be in violation of an order previously issued by the commissioner to the individual, or in violation of a provision of this chapter or a rule promulgated under this chapter.

(c) Makes conforming changes.

SECTION 2. Amends Sections 156.208(a) and (b), Finance Code, to make conforming changes.

SECTION 3. Amends Section 156.303(a), Finance Code, to authorize the commissioner to order a disciplinary action against a licensed mortgage broker or a licensed loan officer when the commissioner has determined, after a hearing, that the person disregarded an order issued by the commissioner under this chapter.

SECTION 4. Effective date: September 1, 2003.

SECTION 5. Makes application of this Act prospective.