

BILL ANALYSIS

Senate Research Center
78R2558 ATP-F

S.B. 252
By: Staples
Business & Commerce
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DIGEST AND PURPOSE

Under the Mortgage Broker License Act (MBLA), a person may not act in the capacity of, engage in the business of, or advertise or hold that person out as engaging in or conducting the business of a mortgage broker in this state unless the person holds an active mortgage broker license. Currently, mortgage bankers are exempt from the MBLA, and not subject to state regulation or oversight. As proposed, S.B. 252 removes the mortgage banker exemption.

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 156.002(5) and (9), Finance Code, to delete existing text referring to mortgage bankers relating to certain exemptions from the regulation of mortgage brokers. Makes conforming and nonsubstantive changes.

SECTION 2. Amends Section 156.202, Finance Code, to make conforming changes relating to the deletion of existing text relating to mortgage bankers.

SECTION 3. Repealer: Section 156.002(8), Finance Code (Definition of a Mortgage Banker).

SECTION 4. Effective date: September 1, 2003.