

BILL ANALYSIS

Senate Research Center

S.B. 1577
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Business & Commerce
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Enrolled

DIGEST AND PURPOSE

Currently, the Mortgage Broker License Act contains various requirements related to mortgage broker license and loan officer license eligibility. S.B. 1577 provides additional requirements for becoming a mortgage broker or loan officer, including satisfying the savings and loan commissioner of the applicant's honesty and trustworthiness.

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 Section 156.204, Finance Code, by amending Subsections (a) and (c) and adding Subsection (d), as follows:

(a) Requires a person, to be eligible to be licensed as a mortgage broker, to not have been convicted of a criminal offense that the savings and loan commissioner (commissioner) determines directly relates to the occupation of a mortgage broker as provided by, rather than under, Chapter 53 (Consequences of Criminal Conviction), Occupations Code; to satisfy the commissioner as to the individual's moral character, including honesty, trustworthiness, and integrity; and to not be in violation of this chapter, a rule adopted under this chapter, or any order previously issued to the individual by the commissioner.

(c) Makes conforming changes related to licensure as a loan officer.

(d) Provides that for the purposes of Subsections (a)(6) and (c)(5), a person is considered convicted if a sentence is imposed on the person, the person receives community supervision, including deferred adjudication community supervision, or the court defers final disposition of the person's case.

SECTION 2. Amends Section 156.208, Finance Code, by amending Subsections (a) and (b) and adding Subsection (h), 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.