

BILL ANALYSIS

Senate Research Center

S.B. 1667
By: Averitt
Business & Commerce
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As Filed

DIGEST AND PURPOSE

H.B. 1493, 77th Legislature, sought to correct deficiencies in the Mortgage Broker License Act (MLBA) to authorize access to Federal Bureau of Investigations (FBI) criminal history records on all individuals applying for a mortgage broker license. The FBI has stringent restrictions on who can access such information. The Texas Savings and Loan Department's sunset language is unacceptable to the FBI. The Texas Savings and Loan Department has expressed that access to FBI criminal history records on applicants is essential to protect consumers and to enforce compliance with MLBA. As proposed, S.B. 1667 requires each applicant to be fingerprinted and submit fingerprints, and other necessary information, with the application and authorizes the savings and loan commissioner to submit the fingerprints to the FBI. This bill provides that the Department of Public Safety is the recipient of the results of the record check.

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 156.206(b), Finance Code, as follows:

(b) Requires the savings and loan commissioner (commissioner) to obtain criminal history record information on an applicant that is maintained by the Department of Public Safety (DPS) and to obtain criminal history record information from, rather than on an applicant maintained by, the Federal Bureau of Investigation (FBI) on each applicant for a mortgage broker or loan officer license under this chapter. Requires each applicant to be fingerprinted and to submit fingerprints and other necessary information with the application. Authorizes the commissioner to submit the fingerprints to the FBI, and provides that DPS is designated to be the recipient of the results of the record check. Deletes redundant wording.

SECTION 2. Effective date: September 1, 2003.