

By: Armbrister

S.B. No. 324

A BILL TO BE ENTITLED

AN ACT

relating to the exemption of certain persons from regulation as a credit services organization.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subsection (a), Section 393.002, Finance Code, is amended to read as follows:

(a) This chapter does not apply to:

(1) a person:

(A) authorized to make a loan or grant an extension of consumer credit under the laws of this state or the United States; and

(B) subject to regulation and supervision by this state or the United States;

(2) a lender approved by the United States secretary of housing and urban development for participation in a mortgage insurance program under the National Housing Act (12 U.S.C. Section 1701 et seq.);

(3) a bank or savings association the deposits or accounts of which are eligible to be insured by the Federal Deposit Insurance Corporation or a subsidiary of the bank or association;

(4) a credit union doing business in this state;

(5) a nonprofit organization exempt from taxation under Section 501(c)(3), Internal Revenue Code of 1986 (26 U.S.C. Section 501(c)(3));

1           (6) a real estate broker or salesman licensed under  
2 The Real Estate License Act (Article 6573a, Vernon's Texas Civil  
3 Statutes) who is acting within the course and scope of that license;

4           (7) an individual licensed to practice law in this  
5 state who is acting within the course and scope of the individual's  
6 practice as an attorney;

7           (8) a broker-dealer registered with the Securities and  
8 Exchange Commission or the Commodity Futures Trading Commission  
9 acting within the course and scope of that regulation;

10          (9) a consumer reporting agency;

11          (10) a person whose primary business is making loans  
12 secured by liens on real property; ~~or~~

13          (11) a mortgage broker or loan officer licensed under  
14 Chapter 156, Finance Code, who is acting within the course and scope  
15 of that license; or

16          (12) an electronic return originator who:

17                 (A) is an authorized Internal Revenue Service  
18 e-file provider; and

19                 (B) makes, negotiates, arranges for, or  
20 transacts a loan that is based on a person's federal income tax  
21 refund on behalf of a bank, savings bank, savings and loan  
22 association, or credit union.

23          SECTION 2. This Act takes effect immediately if it receives  
24 a vote of two-thirds of all the members elected to each house, as  
25 provided by Section 39, Article III, Texas Constitution. If this  
26 Act does not receive the vote necessary for immediate effect, this  
27 Act takes effect September 1, 2003.