

By: Armbrister S.B. No. 324
(In the Senate - Filed January 29, 2003; February 6, 2003,
read first time and referred to Committee on Business and Commerce;
March 3, 2003, reported favorably by the following vote: Yeas 9,
Nays 0; March 3, 2003, sent to printer.)

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));

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

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

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

(9) a consumer reporting agency;

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

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

(12) an electronic return originator who:

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

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

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

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