

By: Ellis

S.B. No. 645

A BILL TO BE ENTITLED

AN ACT

1
2 relating to a study of residential foreclosures in certain
3 counties.

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

5 SECTION 1. Subchapter B, Chapter 343, Finance Code, is
6 amended by adding Section 343.105 to read as follows:

7 Sec. 343.105. STUDY REGARDING RESIDENTIAL FORECLOSURES.

8 (a) In this section, "School of Public Affairs" means the Barbara
9 Jordan-Mickey Leland School of Public Affairs at Texas Southern
10 University.

11 (b) The School of Public Affairs shall conduct a study to
12 examine mortgage foreclosure rates in the Houston-Sugar
13 Land-Baytown Metropolitan Statistical Area, as defined by the U.S.
14 Office of Management and Budget, and shall establish an advisory
15 committee to direct the focus of the study. The advisory committee
16 shall be composed of:

17 (1) the director of the Texas Department of Housing
18 and Community Affairs or the director's representative;

19 (2) the savings and loan commissioner or the
20 commissioner's representative;

21 (3) four members appointed by the director of the
22 Texas Department of Housing and Community Affairs who represent
23 community and consumer interests including a representative of the
24 Houston Association of Realtors;

1 (4) four members appointed by the savings and loan
2 commissioner who represent the mortgage lending industry; and

3 (5) the dean of the School of Public Affairs.

4 (c) The dean of the School of Public Affairs serves as chair
5 of the advisory committee.

6 (d) The advisory committee established under Subsection (b)
7 shall address in the study the causes of foreclosures in the
8 metropolitan statistical area from the perspective of the borrower,
9 lender, mortgage originator, mortgage services provider, housing
10 developer, secondary market representative, industry oversight
11 agency, federal and state prosecutor, and consumer advocate.

12 (e) The advisory committee shall determine the methodology
13 to be used in conducting the study. The study must be based on
14 original research at the level of the individual borrower,
15 including personal interviews with borrowers.

16 (f) All findings of the advisory committee must be approved
17 by a majority of the members of the advisory committee.

18 (g) Except as provided by other law, private, confidential,
19 and privileged information obtained for the production of any
20 public reports is the property of the parties to the mortgage and is
21 not subject to the disclosure provisions of Chapter 552.

22 (h) The School of Public Affairs shall report to the
23 governor, the lieutenant governor, and the speaker of the house of
24 representatives on the study and its results not later than
25 September 1, 2008.

26 (i) This section expires February 1, 2009.

27 SECTION 2. This Act takes effect immediately if it receives

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1 a vote of two-thirds of all the members elected to each house, as
2 provided by Section 39, Article III, Texas Constitution. If this
3 Act does not receive the vote necessary for immediate effect, this
4 Act takes effect September 1, 2007.