

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**March 1, 2007**

**TO:** Honorable Burt R. Solomons, Chair, House Committee on Financial Institutions

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB716** by Solomons (Relating to residential mortgage fraud; providing criminal penalties.),  
**As Introduced**

<p><b>No significant fiscal implication to the State is anticipated.</b></p>
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The bill would amend the Business and Commerce Code to authorize a mortgage lender or licensed mortgage broker to provide a particular written notice at any time to an applicant for a residential mortgage loan or to another party to the mortgage lending process.

The bill would provide criminal penalties for certain violations relating to residential mortgage fraud and provide that each violation constitutes a separate offense. The provisions of this bill would only apply to offenses committed on or after the effective date of the bill.

Based on the analysis of the Department of Savings and Mortgage Lending, it is assumed that duties and responsibilities associated with implementing the provisions of the bill could be accomplished by utilizing existing resources.

This bill would take effect September 1, 2007.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 329 Real Estate Commission, 450 Department of Savings and Mortgage Lending

**LBB Staff:** JOB, JRO, MW, TGI