

Amend CSHB 2774 as follows:

(1) On page 2, strike lines 1-3 and substitute the following:

SECTION 4. Sections 156.104(a), (b), and (h), Finance Code, are amended to read as follows:

(2) On page 2, strike lines 6-25 and substitute the following:

(b) The advisory committee is composed of six members ~~[to be]~~ appointed by ~~[as follows]~~:

~~[(1)]~~ the commissioner. Each of the members must be
~~[shall appoint four members, each of whom]:~~

(1) under the regulatory authority of the department
~~[(A) must hold a mortgage broker license];~~

(2) [(B) is] actively engaged in the business of
originating, brokering, or funding residential mortgage loans at
the time of appointment; and

(3) [(C) has been] primarily engaged in the business
of originating, brokering, or funding residential mortgage loans
for at least two years before the member's appointment~~[, and~~

~~[(2) the Texas Real Estate Commission shall appoint~~
~~two members, each of whom must hold a real estate broker or~~
~~salesperson license].~~

(3) Add the following appropriately numbered SECTION to the bill and renumber subsequent SECTIONS accordingly:

SECTION _____. Effective April 1, 2010, Section 156.104, Finance Code, is amended by adding Subsection (b-1) to read as follows:

(b-1) The members of the committee must include:

(1) three individuals licensed as residential
mortgage loan originators under this chapter, one of whom must hold
an active real estate broker or salesperson license issued under
Chapter 1101, Occupations Code; and

(2) three individuals licensed as residential
mortgage loan originators under Chapter 157, one of whom must hold
an active real estate broker or salesperson license issued under
Chapter 1101, Occupations Code.

(4) On page 3, lines 25 and 26, strike "Sections 156.204(a)

and (c), Finance Code, are amended" and substitute "Section 156.204, Finance Code, is amended by amending Subsections (a) and (c) and adding Subsection (f)".

(5) Strike page 5, line 23, through page 6, line 8, and substitute the following:

(9) provide the commissioner with satisfactory evidence that:

(A) if the individual [~~person~~] has not been previously licensed as a mortgage broker or a loan officer under this subchapter, the individual [~~person~~] has completed 90 [~~classroom~~] hours of education courses approved by the commissioner under this section; or

(B) if the individual [~~person~~] has not been previously licensed as a mortgage broker under this subchapter but has been licensed as a loan officer under this subchapter, the individual [~~person~~] has successfully completed an additional 30 [~~classroom~~] hours of education courses approved by the commissioner under this section.

(6) Strike page 6, line 16, through page 7, line 12, and substitute the following:

(4) provide the commissioner with satisfactory evidence that the applicant satisfies one of the following:

(A) the person [~~meets one of the requirements described by Subsection (a)(4) and~~] has successfully completed at least 60 [~~classroom~~] hours of education courses approved by the commissioner; [~~under this section,~~]

(B) the person [~~has 18 months of experience as a loan officer as evidenced by documentary proof of full-time employment as a loan officer with a person exempt under Section 156.202 and~~] has successfully completed 30 [~~classroom~~] hours of education courses approved by the commissioner under this section if the applicant:

(i) has 18 months or more of experience as a mortgage loan officer as evidenced by documentary proof of full-time employment as a mortgage loan officer with a person exempt under Section 156.202; or

(ii) is a person who meets the

qualifications under Subsection (a)(4)(B); or

(C) the person holds an active mortgage broker license issued under this chapter ~~[for applications received prior to January 1, 2000, the mortgage broker that will sponsor the applicant provides a certification under oath that the applicant has been provided necessary and appropriate education and training regarding all applicable state and federal law and regulations relating to mortgage loans];~~

(7) On page 8, between lines 1 and 2, insert the following:

(f) Subsection (c) and this subsection expire January 1, 2011.

(8) Add the following appropriately numbered SECTION to the bill and renumber subsequent SECTIONS accordingly:

SECTION _____. Effective January 1, 2011, Section 156.204, Finance Code, is amended by adding Subsection (c-1) to read as follows:

(c-1) To be eligible to be licensed as a loan officer a person must:

(1) be an individual who is at least 18 years of age;

(2) be a citizen of the United States or a lawfully admitted alien;

(3) designate in the application the name of the mortgage broker sponsoring the loan officer;

(4) provide the commissioner with satisfactory evidence that the applicant satisfies one of the following:

(A) the person has successfully completed at least 60 hours of education courses approved by the commissioner;

(B) the person has successfully completed 30 hours of education courses approved by the commissioner under this section if the applicant has 18 months or more of experience as a residential mortgage loan originator as evidenced by documentary proof of full-time employment; or

(C) the person holds an active license as a residential mortgage loan originator under Chapter 157 and has held that license for a minimum of one year;

(5) not have been convicted of a criminal offense that the commissioner determines directly relates to the occupation of a

loan officer as provided by Chapter 53, Occupations Code;

(6) satisfy the commissioner as to the individual's good moral character, including the individual's honesty, trustworthiness, and integrity;

(7) provide the commissioner with satisfactory evidence of having passed an examination, offered by a testing service or company approved by the finance commission, that demonstrates knowledge of:

(A) the mortgage industry; and

(B) the role and responsibilities of a loan officer; and

(8) not be in violation of this chapter, a rule adopted under this chapter, or any order previously issued to the individual by the commissioner.

(9) On page 8, line 21, strike "Subsection (k)" and substitute "Subsections (k) and (l)".

(10) On page 11, between lines 12 and 13, insert the following:

(1) Subsections (a) and (b) and this subsection expire January 1, 2011.

(11) Add the following appropriately numbered SECTION to the bill and renumber subsequent SECTIONS accordingly:

SECTION _____. Effective January 1, 2011, Section 156.208, Finance Code, is amended by adding Subsections (a-1) and (b-1) to read as follows:

(a-1) A mortgage broker license issued under this chapter is valid for a term of not more than two years and may be renewed on or before its expiration date if the mortgage broker:

(1) pays to the commissioner a renewal fee in an amount determined by the commissioner not to exceed \$375 and a recovery fund fee provided by Section 156.502;

(2) has not been convicted of a criminal offense the commissioner determines is directly related to the occupation of a mortgage broker as provided by Chapter 53, Occupations Code; and

(3) provides the commissioner with satisfactory evidence that the mortgage broker has attended, during the term of the current license, continuing education courses in accordance

with the applicable requirements of Chapter 180.

(b-1) A loan officer license issued under this chapter is valid for a term of not more than two years and may be renewed on or before its expiration date if the loan officer:

(1) pays to the commissioner a renewal fee in an amount determined by the commissioner not to exceed \$275 and a recovery fund fee provided by Section 156.502;

(2) has not been convicted of a criminal offense the commissioner determines is directly related to the occupation of a loan officer as provided by Chapter 53, Occupations Code; and

(3) provides the commissioner with satisfactory evidence that the loan officer has attended, during the term of the current license, continuing education courses in accordance with the applicable requirements of Chapter 180.

(12) On page 12, strike lines 10-15 and substitute the following:

(4) pay an annual registration fee in an amount determined as follows ~~[of the lesser of]:~~

(A) if the registered financial services company has 2,000 or fewer exclusive agents acting in this state, an amount equal to the lesser of:

(i) one-half of the license fee for a loan officer under Section 156.203(c)(1), multiplied by the number of exclusive agents under contract to act for the person in this state;
or

(ii) ~~(B)~~ \$200,000;

(B) if the registered financial services company has at least 2,001 but not more than 2,500 exclusive agents acting in this state, \$225,000;

(C) if the registered financial services company has at least 2,501 but not more than 3,000 exclusive agents acting in this state, \$250,000;

(D) if the registered financial services company has at least 3,001 but not more than 5,000 exclusive agents acting in this state, \$300,000; or

(E) if the registered financial services company has at least 5,001 exclusive agents acting in this state, \$350,000;

and