

Amend **SB 472** by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION \_\_\_\_\_. Title 5, Finance Code, is amended by adding Chapter 397 to read as follows:

CHAPTER 397. RESIDENTIAL MORTGAGE SERVICERS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 397.001. DEFINITION. In this chapter, "mortgage servicer" has the meaning assigned by Section 51.0001, Property Code.

Sec. 397.002. APPLICABILITY. This chapter applies only to a loan secured by a first lien on residential real property that is not a federally related mortgage loan, as defined by 12 U.S.C. Section 2602.

[Sections 397.003-397.050 reserved for expansion]

SUBCHAPTER B. DEBTOR REQUESTS FOR INFORMATION

Sec. 397.051. RECORDKEEPING. A mortgage servicer shall maintain written or electronic records of each written request for information regarding a dispute or error involving the debtor's account until the loan is paid in full, otherwise satisfied, or sold.

Sec. 397.052. PROVISION OF GENERAL INFORMATION ON REQUEST. (a) A mortgage servicer shall provide the following to a debtor in response to a debtor's written request:

(1) a copy of the original note or, if the original note is unavailable, an affidavit of lost note; and

(2) a statement that:

(A) identifies and itemizes all fees and charges assessed under the loan transaction and provides a full payment history identifying in a clear and conspicuous manner all of the debits, credits, application of and disbursement of all payments received from or for the benefit of the debtor, and other activity on the loan, including any escrow or suspense account activity; and

(B) covers the two years preceding the receipt of the request or the period for which the servicer has serviced the loan, whichever is shorter.

(b) If the mortgage servicer claims that delinquent or

outstanding sums were owed on the loan before the two-year period preceding the receipt of the request under Subsection (a) or before the servicer began servicing the loan, whichever is shorter, the servicer shall provide an account history beginning with the earliest month for which the servicer claims outstanding sums were owed on the loan and ending on the date of the request for information. For purposes of this subsection, the date of the request for information is presumed to be not later than the 30th day before the date the servicer receives the request.

(c) A mortgage servicer must provide a statement under Subsection (a) on or before the 25th business day after the date the servicer receives a written request from the debtor that:

(1) includes or otherwise enables the servicer to identify the name and account of the debtor; and

(2) includes a statement that the account is or may be in error or otherwise provides sufficient detail to the servicer regarding information sought by the debtor.

Sec. 397.053. PROVISION OF INFORMATION REGARDING DISPUTE OR ERROR. (a) A mortgage servicer shall provide a written statement to a debtor in response to a debtor's written request for information regarding a dispute or error involving the debtor's account that includes the following information, if requested:

(1) whether the account is current and an explanation of any default and the date the account went into default;

(2) the current balance due on the loan, including the principal due, the amount of any funds held in a suspense account, the amount of any escrow balance known to the servicer, and whether there are any escrow deficiencies or shortages known to the servicer;

(3) the identity, address, and other relevant information about the current holder, owner, or assignee of the loan; and

(4) the telephone number and mailing address of a servicer representative with the information and authority to answer questions and resolve disputes.

(b) A mortgage servicer must provide a statement under Subsection (a) on or before the 10th day after the date the servicer

receives a written request from the debtor that:

(1) includes or otherwise enables the servicer to identify the name and account of the debtor; and

(2) includes a statement that the account is or may be in error or otherwise provides sufficient detail to the servicer regarding information sought by the debtor.

[Sections 397.054-397.100 reserved for expansion]

#### SUBCHAPTER C. REMEDIES

Sec. 397.101. ENFORCEMENT GENERALLY. The Department of Savings and Mortgage Lending, the attorney general, or any party to a loan to which this chapter applies may enforce this chapter.

Sec. 397.102. ACTION BY DEBTOR. In addition to any other legal and equitable remedy available, a debtor injured by a violation of this chapter may bring an action for recovery of actual damages, including reasonable attorney's fees.