

By: Solomons

H.B. No. 2840

A BILL TO BE ENTITLED

AN ACT

relating to mortgage fraud; providing a criminal penalty.

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

SECTION 1. Sections 343.105(a) and (d), Finance Code, are amended to read as follows:

(a) A lender, mortgage banker, ~~[or]~~ licensed mortgage broker, or title company representative who interacts with an applicant for a home loan at closing shall provide to the ~~[each]~~ applicant ~~[for a home loan]~~ a written notice at closing.

(d) The failure of a lender, mortgage banker, ~~[or]~~ licensed mortgage broker, or title company representative to provide a notice complying with this section to each applicant for a home loan does not affect the validity or enforceability of the home loan by any holder of the loan.

SECTION 2. Section 402.031(a)(1), Government Code, as added by Chapter 285 (H.B. 716), Acts of the 80th Legislature, Regular Session, 2007, is amended to read as follows:

(1) "Authorized governmental agency" means:

(A) the attorney general;

(B) a local or state law enforcement agency of this state or a federal law enforcement agency;

(C) a prosecuting attorney of the United States or of a county or judicial district of this state; or

(D) the Department of Public Safety, the Texas

1 Department of Insurance, the Office of Consumer Credit
2 Commissioner, the Texas Department of Banking, the credit union
3 department, the Department of Savings and Mortgage Lending, the
4 Texas Real Estate Commission, ~~or~~ the Texas Appraiser Licensing
5 and Certification Board, or the Texas Department of Housing and
6 Community Affairs.

7 SECTION 3. Section 402.032(c), Government Code, is amended
8 to read as follows:

9 (c) The task force consists of the following persons or
10 their appointees:

- 11 (1) the attorney general;
- 12 (2) the consumer credit commissioner;
- 13 (3) the banking commissioner;
- 14 (4) the credit union commissioner;
- 15 (5) the commissioner of insurance;
- 16 (6) the savings and mortgage lending commissioner;
- 17 (7) the presiding officer of the Texas Real Estate
18 Commission; ~~and~~
- 19 (8) the presiding officer of the Texas Appraiser
20 Licensing and Certification Board; and
- 21 (9) a representative of the Texas Department of
22 Housing and Community Affairs.

23 SECTION 4. Section 555.051(a), Government Code, is amended
24 to read as follows:

25 (a) This section applies only to information held by or for
26 the office of the attorney general, the Texas Department of
27 Insurance, the Texas State Board of Public Accountancy, the Public

1 Utility Commission of Texas, the State Securities Board, the
2 Department of Savings and Mortgage Lending, the Texas Real Estate
3 Commission, the Texas Appraiser Licensing and Certification Board,
4 the Texas Department of Banking, the credit union department, [~~or~~]
5 the Office of Consumer Credit Commissioner, or the Texas Department
6 of Housing and Community Affairs that relates to the possible
7 commission of corporate fraud or mortgage fraud by a person who is
8 licensed or otherwise regulated by any of those state agencies. In
9 this subsection, "corporate fraud" means a violation of state or
10 federal law or rules relating to fraud committed by a corporation,
11 limited liability company, or registered limited liability
12 partnership or an officer, director, or partner of those entities
13 while acting in a representative capacity.

14 SECTION 5. The heading to Section 32.32, Penal Code, is
15 amended to read as follows:

16 Sec. 32.32. FALSE STATEMENT TO OBTAIN PROPERTY OR CREDIT OR
17 IN THE PROVISION OF CERTAIN SERVICES.

18 SECTION 6. Section 32.32, Penal Code, is amended by adding
19 Subsection (b-1) and amending Subsection (d) to read as follows:

20 (b-1) A person commits an offense if the person
21 intentionally or knowingly makes a materially false or misleading
22 written statement in providing an appraisal of real property for
23 compensation or in providing any other service related to the
24 closing or settlement of a real property transaction.

25 (d) The following agencies shall assist a prosecuting
26 attorney of the United States or of a county or judicial district of
27 this state, a county or state law enforcement agency of this state,

1 or a federal law enforcement agency in the investigation of an
2 offense under this section involving a mortgage loan:

- 3 (1) the office of the attorney general;
- 4 (2) the Department of Public Safety;
- 5 (3) the Texas Department of Insurance;
- 6 (4) the Office of Consumer Credit Commissioner;
- 7 (5) the Texas Department of Banking;
- 8 (6) the credit union department;
- 9 (7) the Department of Savings and Mortgage Lending;
- 10 (8) the Texas Real Estate Commission; [~~and~~]
- 11 (9) the Texas Appraiser Licensing and Certification
12 Board; and
- 13 (10) the Texas Department of Housing and Community
14 Affairs.

15 SECTION 7. This Act takes effect September 1, 2009.