

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

**FISCAL NOTE, 82ND LEGISLATIVE REGULAR SESSION**

**April 14, 2011**

**TO:** Honorable John Carona, Chair, Senate Committee on Business & Commerce

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

**IN RE: SB1319** by Lucio (Relating to certain loans secured by a lien on residential real property and to other transactions involving residential real property; providing civil penalties.),  
**Committee Report 1st House, Substituted**

<b>No significant fiscal implication to the State is anticipated.</b>
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The bill would amend the Finance Code relating to certain loans secured by a lien on residential real property and to other transactions involving residential real property. The bill would require certain mortgage servicers to provide receipts to a borrower each time a mortgage servicer accepts a payment. The bill also requires certain lenders to provide borrowers with an annual statement. The bill establishes requirements and guidelines for mortgage servicers to provide payoff statements. The bill requires that a mortgage servicer provide a written statement to a borrower in response to a borrower's written request for information regarding a dispute or error involving the borrower's account. The bill grants that the Attorney General may bring an action on behalf of the state for injunctive relief to require compliance with the provisions added by the bill, or to recover a civil penalty for each violation of this chapter. The bill prohibits the execution and delivery to the seller or person making the extension of credit a deed conveying the residential real estate to the seller or person making the extension of credit in certain transactions.

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

The fiscal impacts of costs and revenues that may be generated in association with implementing the provisions of the bill for the Department of Savings and Mortgage Lending are not considered in this analysis because fiscal impacts for this agency would be realized outside of the Treasury due to this agency being Self-Directed and Semi-Independent.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 302 Office of the Attorney General, 450 Department of Savings and Mortgage Lending

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