

By: Walle

H.B. No. 1239

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the provision of accounting statements by mortgage
3 servicers for certain loans secured by a lien on residential real
4 property.

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

6 SECTION 1. Title 5, Finance Code, is amended by adding
7 Chapter 397 to read as follows:

8 CHAPTER 397. ACCOUNTING STATEMENTS FOR CERTAIN HOME LOANS REQUIRED

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

12 Sec. 397.002. APPLICABILITY OF CHAPTER. This chapter
13 applies only to a loan secured by a first or subordinate lien on
14 residential real property that is not:

15 (1) a federally related mortgage loan, as defined by
16 12 U.S.C. Section 2602;

17 (2) a loan that is made by a credit union regulated by
18 the Credit Union Department; or

19 (3) a loan that is primarily for business, commercial,
20 or agricultural purposes, or for temporary financing, such as a
21 construction loan, as referred to under 12 U.S.C. Section 2602.

22 Sec. 397.003. ANNUAL ACCOUNTING STATEMENT. A mortgage
23 servicer shall provide to the borrower an annual statement in
24 January of each year for the term of the loan. The statement must

1 clearly and conspicuously state the following information:

2 (1) the amount of each payment that was received by the
3 mortgage servicer as payment toward the loan during the preceding
4 calendar year;

5 (2) how each payment described by Subdivision (1) was
6 applied to the borrower's account, including information showing
7 the amount of each payment that was applied to:

8 (A) the borrower's principal obligation under
9 the loan;

10 (B) the interest charged on the loan;

11 (C) any escrow account associated with the loan;

12 and

13 (D) any fee or other charge assessed against the
14 borrower during the preceding calendar year; and

15 (3) the outstanding balance of the borrower's
16 principal obligation under the loan.

17 Sec. 397.004. ACTION BY BORROWER. In addition to any other
18 legal and equitable remedy available, a borrower injured by a
19 violation of this chapter may bring an action:

20 (1) to obtain an order requiring compliance with this
21 chapter; and

22 (2) to recover:

23 (A) actual damages, including reasonable
24 attorney's fees; and

25 (B) \$100 for each violation of this chapter.

26 SECTION 2. This Act takes effect September 1, 2015.