

By: Rodríguez

S.B. No. 1203

A BILL TO BE ENTITLED

1 AN ACT

2 relating to exemptions from the applicability of the Texas Secure
3 and Fair Enforcement for Mortgage Licensing Act of 2009.

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

5 SECTION 1. Sections 180.003(a) and (c), Finance Code, are
6 amended to read as follows:

7 (a) The following persons are exempt from this chapter:

8 (1) a registered mortgage loan originator when acting
9 for an entity described by Section 180.002(16)(A)(i), (ii), or
10 (iii);

11 (2) an individual who offers or negotiates terms of a
12 residential mortgage loan with or on behalf of an immediate family
13 member of the individual;

14 (3) a licensed attorney who negotiates the terms of a
15 residential mortgage loan on behalf of a client as an ancillary
16 matter to the attorney's representation of the client, unless the
17 attorney:

18 (A) takes a residential mortgage loan
19 application; and

20 (B) offers or negotiates the terms of a
21 residential mortgage loan;

22 (4) an individual who offers or negotiates terms of a
23 residential mortgage loan secured by a dwelling that serves as the
24 individual's residence;

1 (5) a nonprofit organization providing self-help
2 housing that originates [~~zero-interest~~] residential mortgage loans
3 for borrowers who have provided part of the labor to construct the
4 dwelling securing the loan;

5 (6) an owner of residential real estate who in any
6 12-consecutive-month period makes no more than five residential
7 mortgage loans to purchasers of the property for all or part of the
8 purchase price of the residential real estate against which the
9 mortgage is secured; and

10 (7) an owner of a dwelling who in any
11 12-consecutive-month period makes no more than five residential
12 mortgage loans to purchasers of the property for all or part of the
13 purchase price of the dwelling against which the mortgage or
14 security interest is secured.

15 (c) The finance commission shall [~~may~~] grant an exemption
16 from the licensing requirements of this chapter to a municipality,
17 county, community development corporation, or public or private
18 grant administrator to the extent the entity is administering the
19 Texas HOME Investment Partnerships program or a program of the
20 Texas Housing Trust Fund if the commission determines that granting
21 the exemption is not inconsistent with the intentions of the
22 federal Secure and Fair Enforcement for Mortgage Licensing Act of
23 2008 (Pub. L. No. 110-289).

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