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| BILL ANALYSIS |

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| C.S.H.B. 3342 |
| By: Parker |
| Investments & Financial Services |
| Committee Report (Substituted) |

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| **BACKGROUND AND PURPOSE**  Interested parties contend that many people working in Texas as residential mortgage loan originators will soon be considered out of compliance with certain federal regulations regarding the mortgage industry. C.S.H.B. 3342 seeks to address this issue by adjusting the prelicensing education requirements for residential mortgage loan originators. |
| **CRIMINAL JUSTICE IMPACT**  It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision. |
| **RULEMAKING AUTHORITY**  It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution. |
| **ANALYSIS**  C.S.H.B. 3342 amends the Finance Code to change the period during which an individual fails to maintain a residential mortgage loan originator license that triggers the requirement that the individual retake the prelicensing education requirements prescribed by the S.A.F.E. Mortgage Licensing Act from at least five consecutive years to the period established by rule of the Finance Commission of Texas. The bill requires the finance commission to adopt such rule not later than December 1, 2017. The bill applies only to an application for a license filed on or after December 1, 2017. |
| **EFFECTIVE DATE**  September 1, 2017. |
| **COMPARISON OF ORIGINAL AND SUBSTITUTE**  While C.S.H.B. 3342 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill. |
| | INTRODUCED | HOUSE COMMITTEE SUBSTITUTE | | --- | --- | | SECTION 1. Section 180.056(h), Finance Code, is amended. | SECTION 1. Substantially the same as introduced version. | | No equivalent provision. | SECTION 2. (a) Not later than December 1, 2017, the Finance Commission of Texas shall adopt the rules required under Section 180.056(h), Finance Code, as amended by this Act.  (b) The change in law made by this Act applies only to an application for a license filed on or after December 1, 2017. An application for a license filed before December 1, 2017, is governed by the law in effect on the date the application was filed, and the former law is continued in effect for that purpose. | | SECTION 2. This Act takes effect September 7, 2017. | SECTION 3. This Act takes effect September 1, 2017. | |