**BILL ANALYSIS**

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| Senate Research Center | S.B. 1530 |
|  | By: Estes |
|  | Business & Commerce |
|  | 4/21/2017 |
|  | As Filed |

**AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

There are a number of business entities that provide financial services in Texas that are required to obtain a license, permit, registration certificate, or other evidence of authority from the Texas Department of Banking, the Department of Savings and Mortgage Lending, or the Office of Consumer Credit Commissioner. In addition to being subject to state law and regulation by one of those three finance agencies, these business entities are also subject to federal law and regulations. In recent years, several municipalities have adopted ordinances seeking to impose regulations on the business activities of state-licensed business entities that provide financial services that are stricter than or inconsistent with state law. The adoption of such municipal ordinances has resulted in a patchwork of regulations across the state and the prohibition of business activity that is authorized under state and federal law. This bill seeks to remedy this situation by providing that, unless expressly authorized by the Finance Code, a person subject to regulation by a finance agency and the person's business activities subject to that regulation are subject only to applicable federal law and regulations and applicable state law, including rules adopted by the Finance Commission of Texas.

As proposed, S.B. 1530 amends current law relating to the regulation of persons and business activities subject to regulation by certain finance agencies.

**RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

**SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter A, Chapter 11, Finance Code, by adding Section 11.003, as follows:

Sec. 11.003. EXCLUSIVE REGULATORY AUTHORITY. (a) Defines "business entity" and "person subject to regulation by a finance agency."

(b) Provides that a person subject to regulation by a finance agency and the person's business activities subject to that regulation, except as expressly provided otherwise by this code, are subject only to applicable federal law and regulations and applicable state law, including rules adopted by the Finance Commission.

SECTION 2. Effective date: upon passage or September 1, 2017.