

BILL ANALYSIS

Senate Research Center
85R29802 TSR-D

C.S.H.B. 3342
By: Parker (Buckingham)
Business & Commerce
5/17/2017
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

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. H.B. 3342 seeks to address this issue by adjusting the prelicensing education requirements for residential mortgage loan originators.

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. H.B. 3342 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. (Original Author's / Sponsor's Statement of Intent)

C.S.H.B. 3342 amends current law relating to the prelicensing education requirements for residential mortgage loan originators.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Finance Commission of Texas in SECTION 1 (Section 180.056, Finance Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 180.056(h), Finance Code, to require an individual who fails to maintain a residential mortgage loan originator license for the period of time established by rule of the rulemaking authority, rather than for at least five consecutive years, to retake certain prelicensing education requirements.

SECTION 2. Effective date: January 1, 2018.