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| BILL ANALYSIS |

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| S.B. 614 |
| By: Nichols |
| Pensions, Investments & Financial Services |
| Committee Report (Unamended) |

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| **BACKGROUND AND PURPOSE**  The Finance Commission of Texas oversees the Texas Department of Banking and the Department of Savings and Mortgage Lending (SML), among other agencies. The commission and the office of banking commissioner, the office of savings and mortgage lending commissioner, and SML are subject to review and abolishment under the Texas Sunset Act. The Sunset Advisory Commission found that, while these agencies have weathered the storms of the financial crisis well and maintained transparent, accountable practices even with recent decreased legislative oversight after being granted self-directed semi-independent status, there is a need to increase efficiency in operations and implement certain best practices for oversight. S.B. 614 provides for the continuation of those agencies with certain statutory modifications aimed at addressing those findings. |
| **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 rulemaking authority is expressly granted to the Finance Commission of Texas in SECTIONS 7, 10, 19, and 45 of this bill. |
| **ANALYSIS**  S.B. 614 amends the Finance Code to postpone from September 1, 2019, to September 1, 2031, the date on which the Finance Commission of Texas, the office of banking commissioner, the office of savings and mortgage lending commissioner, and the Department of Savings and Mortgage Lending (SML) are abolished unless continued in existence as provided by the Texas Sunset Act.  S.B. 614 authorizes the finance commission, the banking commissioner, and the savings and mortgage lending commissioner to appoint advisory committees to assist the finance commission, the banking commissioner and the Texas Department of Banking (TxDOB), and the savings and mortgage lending commissioner and SML in performing their respective duties; requires those entities to specify the respective committee's purpose, powers, and duties; and sets out a reporting requirement for each committee.  S.B. 614 requires the commissioners of the finance commission, TxDOB, and SML to create training manuals to include the training program information applicable to that commissioner's agency but authorizes the commissioners to collaborate and jointly create one training manual that includes that applicable information. The bill provides for the annual distribution of the manuals and sets out the procedures for the members of the finance commission to acknowledge their receipt and review of the manuals. The bill, with respect to these bill provisions:   * makes the provisions applicable to a member of the finance commission appointed before, on, or after the bill's effective date; * requires a member who, before the bill's effective date, completed the required training program, as it existed before the bill's effective date, to acknowledge that the member received and reviewed the required training manual; and * prohibits a member who completed the training program before the bill's effective date from voting, deliberating, or being counted as a member in attendance at a finance commission meeting held on or after December 1, 2019, until the member acknowledges that the member received and reviewed the training manual.   S.B. 614 requires the finance commission by rule to develop a policy to encourage the use of negotiated rulemaking and alternative dispute resolution procedures by TxDOB and SML and sets out related procedures applicable to each respective agency. The bill repeals certain statutory provisions relating to appeals to the finance commission generally and repeals statutory provisions requiring SML to provide a person filing a complaint and each person subject to the complaint periodic notice of the status of an investigation and a copy of certain SML complaint policies and procedures.  S.B. 614 revises and updates provisions relating to, among other things:   * the duty of a hearings officer employed by TxDOB; * the appeal of a banking commissioner decision or order; * the review by the banking commissioner of an action taken by a supervisor or conservator concerning a trust company; * the status of a revoked license for a foreign bank; and * TxDOB and SML complaint investigation and resolution procedures.   S.B. 614 requires the finance commission to prescribe by rule the term of a permit to sell prepaid funeral benefits and to prorate the fee for a permit with a term of more than one year. The bill removes as an eligibility requirement for a residential mortgage loan originator license that an individual satisfy the commissioner as to the individual's good moral character.  S.B. 614 repeals statutory provisions:   * establishing the powers and duties of TxDOB with respect to administrative and rulemaking authority applicable to private child support enforcement agencies; * requiring a private child support enforcement agency to register with TxDOB; and * providing an alternative to such required registration for a private child support enforcement agency that is registered or authorized in another state and that engages in business in Texas solely by use of telephone, mail, the Internet, facsimile transmission, or any other means of interstate communication.   The bill updates and revises applicable provisions to reflect the repeal of those provisions.  S.B. 614 amends the Health and Safety Code to require the finance commission by rule to prescribe the term of and renewal procedures for a certificate of authority to operate a perpetual care cemetery. The bill requires the finance commission to prorate any applicable fees as necessary to reflect the term of the certificate if the finance commission prescribes the term of a certificate for a period other than one year. The bill repeals statutory provisions requiring the registration of cemetery brokers.  S.B. 614 provides for the expiration on the bill's effective date of a certificate of registration for a private child support enforcement agency, a certificate issued to an out-of-state private child support enforcement agency to engage in business in Texas, and a registration of a cemetery broker. The bill establishes that a repeal of a law by the bill does not entitle a person to a refund of an application, registration, or other fee paid by the person before the bill's effective date.  S.B. 614 repeals the following provisions:   * Sections 13.011(d) and (e), Finance Code * Sections 31.203 and 181.203, Finance Code * Section 396.001(8), Finance Code * Subchapters B, C, and D, Chapter 396, Finance Code * Section 396.201, Finance Code * Subchapter G, Chapter 396, Finance Code * Section 711.0381(a), Health and Safety Code * Subchapter C-1, Chapter 711, Health and Safety Code |
| **EFFECTIVE DATE**  September 1, 2019. |