

By: Blanco

H.B. No. 258

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the abolition of student loan default or breach of a
3 student loan repayment or scholarship contract as a ground for
4 nonrenewal or other disciplinary action in relation to a
5 professional or occupational license.

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

7 SECTION 1. Section 157.015(g), Finance Code, is amended to
8 read as follows:

9 (g) The commissioner may deny the renewal application for a
10 residential mortgage loan originator license if:

11 (1) the person seeking the renewal of the residential
12 mortgage loan originator license is in violation of this chapter,
13 Chapter 156, or Chapter 180, an applicable rule adopted under this
14 chapter, Chapter 156, or Chapter 180, or any order previously
15 issued to the person by the commissioner;

16 (2) the person seeking renewal of the residential
17 mortgage loan originator license is in default in the payment of any
18 administrative penalty, fee, charge, or other indebtedness owed
19 under this title; or

20 (3) ~~[the person seeking the renewal of the residential~~
21 ~~mortgage loan originator license is in default on a student loan~~
22 ~~administered by the Texas Guaranteed Student Loan Corporation,~~
23 ~~under Section 57.491, Education Code, or~~

24 [~~4~~] during the current term of the license, the

1 commissioner becomes aware of any fact, other than default on a
2 student loan administered by the Texas Guaranteed Student Loan
3 Corporation, that would have been grounds for denial of an original
4 license if the fact had been known by the commissioner on the date
5 the license was granted.

6 SECTION 2. Sections 466.155(a) and (g), Government Code,
7 are amended to read as follows:

8 (a) After a hearing, the director shall deny an application
9 for a license or the commission shall suspend or revoke a license if
10 the director or commission, as applicable, finds that the applicant
11 or sales agent:

12 (1) is an individual who:

13 (A) has been convicted of a felony, criminal
14 fraud, gambling or a gambling-related offense, or a misdemeanor
15 involving moral turpitude, if less than 10 years has elapsed since
16 the termination of the sentence, parole, mandatory supervision, or
17 probation served for the offense;

18 (B) is or has been a professional gambler;

19 (C) is married to an individual:

20 (i) described in Paragraph (A) or (B); or

21 (ii) who is currently delinquent in the
22 payment of any state tax;

23 (D) is an officer or employee of the commission
24 or a lottery operator; or

25 (E) is a spouse, child, brother, sister, or
26 parent residing as a member of the same household in the principal
27 place of residence of a person described by Paragraph (D);

1 (2) is not an individual, and an individual described
2 in Subdivision (1):

3 (A) is an officer or director of the applicant or
4 sales agent;

5 (B) holds more than 10 percent of the stock in the
6 applicant or sales agent;

7 (C) holds an equitable interest greater than 10
8 percent in the applicant or sales agent;

9 (D) is a creditor of the applicant or sales agent
10 who holds more than 10 percent of the applicant's or sales agent's
11 outstanding debt;

12 (E) is the owner or lessee of a business that the
13 applicant or sales agent conducts or through which the applicant
14 will conduct a ticket sales agency;

15 (F) shares or will share in the profits, other
16 than stock dividends, of the applicant or sales agent; or

17 (G) participates in managing the affairs of the
18 applicant or sales agent;

19 (3) has been finally determined to be[+]

20 ~~[(A)]~~ delinquent in the payment of a tax or other
21 money collected by the comptroller, the Texas Workforce Commission,
22 or the Texas Alcoholic Beverage Commission;

23 ~~[(B) in default on a loan made under Chapter 52,~~
24 ~~Education Code, or~~

25 ~~[(C) in default on a loan guaranteed under~~
26 ~~Chapter 57, Education Code,]~~

27 (4) is a person whose location for the sales agency is:

1 (A) a location licensed for games of bingo under
2 Chapter 2001, Occupations Code;

3 (B) on land that is owned by:

4 (i) this state; or

5 (ii) a political subdivision of this state
6 and on which is located a public primary or secondary school, an
7 institution of higher education, or an agency of the state; or

8 (C) a location for which a person holds a wine and
9 beer retailer's permit, mixed beverage permit, mixed beverage late
10 hours permit, private club registration permit, or private club
11 late hours permit issued under Chapter 25, 28, 29, 32, or 33,
12 Alcoholic Beverage Code, other than a location for which a person
13 holds a wine and beer retailer's permit issued under Chapter 25,
14 Alcoholic Beverage Code, that derives less than 30 percent of the
15 location's gross receipts from the sale or service of alcoholic
16 beverages; or

17 (5) has violated this chapter or a rule adopted under
18 this chapter.

19 (g) For purposes of Subsection (a)(3), the comptroller,
20 Texas Workforce Commission, and Texas Alcoholic Beverage
21 Commission~~[, Texas Higher Education Coordinating Board, and Texas~~
22 ~~Guaranteed Student Loan Corporation]~~ shall each provide the
23 executive director with a report of persons who have been finally
24 determined to be delinquent in the payment of any money owed to or
25 collected by that agency. The commission shall adopt rules
26 regarding the form and frequency of reports under this subsection.

27 SECTION 3. The following laws are repealed:

- 1 (1) Section 57.491, Education Code;
- 2 (2) Section 82.022(c), Government Code;
- 3 (3) Section 154.110(e), Government Code; and
- 4 (4) Chapter 56, Occupations Code.

5 SECTION 4. This Act takes effect immediately if it receives
6 a vote of two-thirds of all the members elected to each house, as
7 provided by Section 39, Article III, Texas Constitution. If this
8 Act does not receive the vote necessary for immediate effect, this
9 Act takes effect September 1, 2019.