

RESOLUTION ANALYSIS

H.J.R. 104
By: Toth
Pensions, Investments & Financial Services
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Texas Constitution considers a home equity loan to be a valid lien on Texas homestead property, but with many conditions. One of those conditions is a requirement for the home equity loan to be closed at the office of the lender, an attorney at law, or a title company. Texans who are concerned by these constraints on home equity loan closings have called for legislation to allow for virtual closings for a limited number of individuals who cannot attend an in-person closing due to military or federal deployment, verified disability or quarantine needs, or incarceration. H.J.R. 104 seeks to address this issue by providing for virtual closings for certain borrowers.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this resolution 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 resolution does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.J.R. 104 proposes an amendment to the Texas Constitution to provide an exception for a home equity loan from the constitutional requirement for the loan to be closed at the office of the lender, an attorney at law, or a title company if the loan is otherwise excepted as provided by statute.

ELECTION DATE

The constitutional amendment proposed by this joint resolution will be submitted to the voters at an election to be held November 2, 2021.