By:  Anchia H.B. No. 3617

A BILL TO BE ENTITLED

AN ACT

relating to certain qualifications and requirements for residential mortgage loan companies.

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

SECTION 1.  Section 156.2041, Finance Code, is amended to read as follows:

Sec. 156.2041.  QUALIFICATIONS AND REQUIREMENTS FOR LICENSE: MORTGAGE COMPANY. [~~(a)~~] To be issued a mortgage company license, an applicant must:

(1)  submit a completed application together with the payment of applicable fees through the Nationwide Mortgage Licensing System and Registry;

(2)  designate control persons for the mortgage company through the Nationwide Mortgage Licensing System and Registry;

(3)  designate an individual licensed as a residential mortgage loan originator under Chapter 157 as the company's qualifying individual;

(4)  if applicable, submit a completed branch application through the Nationwide Mortgage Licensing System and Registry for each branch office that engages in residential mortgage loan activity on residential real estate located in this state;

(5)  not be in violation of this chapter, a rule adopted under this chapter, or any order previously issued by the commissioner to the applicant;

(6)  have the company name or assumed name properly filed with either the secretary of state or with the appropriate county clerk's office; and

(7)  [~~maintain a physical office in this state; and~~

[~~(8)~~]  provide financial statements and any other information required by the commissioner.

SECTION 2.  Section 156.2042, Finance Code, is amended to read as follows:

Sec. 156.2042.  QUALIFICATIONS AND REQUIREMENTS FOR LICENSE: CREDIT UNION SUBSIDIARY ORGANIZATION. [~~(a)~~] To be issued a credit union subsidiary organization license, an applicant must:

(1)  submit a completed application together with the payment of applicable fees through the Nationwide Mortgage Licensing System and Registry;

(2)  designate control persons for the organization through the Nationwide Mortgage Licensing System and Registry;

(3)  designate an individual licensed as a residential mortgage loan originator under Chapter 157 as the company's qualifying individual;

(4)  submit a completed branch application through the Nationwide Mortgage Licensing System and Registry for each branch office that engages in residential mortgage loan activity on residential real estate located in this state; and

(5)  not be in violation of this chapter, a rule adopted under this chapter, or any order previously issued by the commissioner to the applicant[~~; and~~

[~~(6)  maintain a physical office in this state~~].

SECTION 3.  Section 156.212, Finance Code, is amended to read as follows:

Sec. 156.212.  MAINTENANCE AND LOCATION OF OFFICES. [~~(a) Each residential mortgage loan company licensed under this chapter shall maintain a physical office in this state.~~

[~~(a-1)  If a residential mortgage loan company's main office is outside this state, the requirement of Subsection (a) is satisfied if the company has a branch office located in this state.~~

[~~(b)~~]  If a residential mortgage loan company maintains an office separate and distinct from the company's main office, whether located in this state or not, that conducts mortgage business with consumers of this state or regarding residential real estate in this state, the company shall apply for, pay a fee of $50 for, and obtain an additional license to be known as a branch office license for each additional office to be maintained by the company.

SECTION 4.  This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2021.