

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

1 commissioner to the applicant;

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

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

6 [~~8~~] provide financial statements and any other
7 information required by the commissioner.

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

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

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

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

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

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

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

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

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

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

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

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

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