

By: Anchia

H.B. No. 3617

A BILL TO BE ENTITLED

AN ACT

relating to certain qualifications and requirements of licensed mortgage companies and the regulation of the Department of Savings and Mortgage Lending.

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

1 under this chapter, or any order previously issued by the  
2 commissioner to the applicant;

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

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

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

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

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

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

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

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

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

26 (5) not be in violation of this chapter, a rule adopted  
27 under this chapter, or any order previously issued by the

1 commissioner to the applicant, ~~and~~

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

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

5 Sec. 156.212. MAINTENANCE AND LOCATION OF OFFICES.

6 ~~(a) Each residential mortgage loan company licensed under this  
7 chapter shall maintain a physical office in this state.~~

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

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

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