

By: Anchia

H.B. No. 3617

A BILL TO BE ENTITLED

1 AN ACT
2 relating to certain qualifications and requirements of licensed
3 mortgage companies and the regulation of the Department of Savings
4 and Mortgage Lending.

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

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

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

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

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

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

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

24 (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.