

## **BILL ANALYSIS**

H.B. 4166  
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Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

The bill author has informed the committee that not all property owners and entities that engage in low-volume or incidental residential mortgage lending are traditional mortgage professionals and therefore should not be subject to the full scope of regulatory requirements intended for licensed loan originators. H.B. 4166 seeks to provide these owners and entities with limited regulatory relief by exempting them from the requirements of the Residential Mortgage Loan Company Licensing and Registration Act and from the requirements of the Texas Secure and Fair Enforcement for Mortgage Licensing Act of 2009 under specified conditions.

### **CRIMINAL JUSTICE IMPACT**

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

### **ANALYSIS**

H.B. 4166 amends the Finance Code to include among the entities that are exempt from the Residential Mortgage Loan Company Licensing and Registration Act and from the Texas Secure and Fair Enforcement for Mortgage Licensing Act of 2009 an owner of residential real estate who makes a first lien mortgage loan to a purchaser of the property against which the mortgage is secured, provided that all residential mortgage loan origination activity in connection with the loan is provided by a properly sponsored and authorized licensee who is required to comply with the requirements of the Texas Secure and Fair Enforcement for Mortgage Licensing Act of 2009.

### **EFFECTIVE DATE**

September 1, 2025.