

BILL ANALYSIS

Senate Research Center

H.B. 2580
By: Holland; Longoria (Estes)
Natural Resources & Economic Development
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Interested parties contend that as the regulatory authority of the savings and mortgage lending commissioner (commissioner) has increased, so should the commissioner's ability to obtain criminal history record information from the Texas Department of Public Safety (DPS) that relates to the individuals over whom the commissioner has such authority. H.B. 2580 seeks to address this issue by changing the law regarding the criminal history record information obtained by the savings and mortgage lending commissioner.

H.B. 2580 amends the Government Code to expand the criminal history record information maintained by DPS that the commissioner is entitled to obtain from information that relates to an applicant for or holder of a license issued under the Residential Mortgage Loan Company Licensing and Registration Act or the Mortgage Banker Registration and Residential Mortgage Loan Originator License Act to information that relates to an applicant for or holder of a license, charter, or other authority granted or issued by the commissioner under the Texas Savings and Loan Act, the Texas Savings Bank Act, the Residential Mortgage Loan Company Licensing and Registration Act, the Mortgage Banker Registration and Residential Mortgage Loan Originator License Act, the Residential Mortgage Loan Servicer Registration Act, or the Texas Secure and Fair Enforcement for Mortgage Licensing Act of 2009; an employee of or volunteer with the Texas Department of Savings and Mortgage Lending (SML); an applicant for employment or an internship with SML; or a contractor or subcontractor of SML.

H.B. 2580 prohibits the commissioner from releasing or disclosing criminal history record information obtained by the commissioner unless the information is obtained from a fingerprint-based search and the information is released or disclosed on court order, to the person who is the subject of the criminal history record information, or with that person's consent.

H.B. 2580 amends current law relating to criminal history record information obtained by the savings and mortgage lending commissioner.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 411.1385, Government Code, as follows:

Sec. 411.1385. ACCESS TO CRIMINAL HISTORY RECORD INFORMATION: SAVINGS AND MORTGAGE LENDING COMMISSIONER. (a) Provides that the savings and mortgage lending commissioner is entitled to obtain from the Texas Department of Public Safety (DPS) criminal history record information maintained by DPS that relates to a person who is:

- (1) an applicant for or holder of a license, charter, or other authority granted or issued by the savings and mortgage lending commissioner under:

(A) Subtitle B (Savings and Loan Associations) or C (Savings Banks), Title 3 (Financial Institutions and Businesses), Finance Code; or

(B) Chapter 156 (Residential Mortgage Loan Companies), 157 (Mortgage Bankers and Residential Mortgage Loan Originators), 158 (Residential Mortgage Loan Servicers), or 180 (Residential Mortgage Loan Originators), Finance Code, rather than an applicant for or holder of a license issued under Chapter 156 or 157, Finance Code;

(2) an employee of or volunteer with the Texas Department of Savings and Mortgage Lending (SML);

(3) an applicant for employment or an internship with SML; or

(4) a contractor or subcontractor of SML.

(b) Prohibits the savings and mortgage lending commissioner, except as provided by Subsection (c), from releasing or disclosing criminal history record information obtained under this section unless the information meets certain requirements.

(c) Creates this subsection from existing text and makes no further changes to this subsection.

SECTION 2. Effective date: September 1, 2017.