

BILL ANALYSIS

Senate Research Center

S.B. 1581
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Business & Commerce
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As Filed

DIGEST AND PURPOSE

As proposed, S.B. 1581 adds Section 343 to the Finance Code regarding certain practices in connection with of home loans.

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 Title 4B, Finance Code, by adding Chapter 343, as follows:

CHAPTER 343. HOME LOANS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 343.001. DEFINITIONS. Defines “home loan.”

Sec. 343.101. APPLICABILITY. Provides that this chapter applies only if the principal amount of the loan is equal to or less than a certain amount.

[Sections 343.003-343.100 reserved for expansion]

SUBCHAPTER B. PROVISIONS RELATING TO HOME LOANS IN GENERAL

Sec. 343.101. CONSIDERATION OF OBLIGOR’S PAYMENT ABILITY. Defines “obligor.” Provides that if more than one person is obligated to pay a loan, the term refers to those persons collectively.

[Sections 343.102-343.200 reserved for expansion]

SUBCHAPTER C. HIGH COST HOME LOANS

Sec. 343.201. DEFINITION.

[Sections 343.200-343.299 reserved for expansion]

SECTION 2. Effective date: September 1, 2001
Makes application of this Act prospective.