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October 7, 2022

To: Clients and Friends

From: David F. Dulock

Subject: Texas Mortgage Loan Servicer Renewal Period; TDSML Fee Increases

Texas Mortgage Loan Servicer Renewal Period

This section of the memorandum is to make Texas Mortgage Loan Servicers more aware of an existing statutory requirement to renew the mortgage servicing license on or before December 31 of each calendar year.

Recently the following notice was placed on the NMLS Resource Center. NMLS link <https://mortgage.nationwidelicencingsystem.org/SLR/COMMON/RENEWALS/Pages/default.aspx?state=TX%20-%20SML&cbi=Company&license=Residential%20Mortgage%20Loan%20Servicer%20Registration..>

TX - SML: Residential Mortgage Loan Servicer Registration

Renewal Submission Deadline: 12/31

Is Reinstatement allowed for this license type? No

Comments Section 158.058 of the Texas Finance Code indicates that “[i]f a registrant fails to file a renewal and pay the renewal fee on or before December 31 of a calendar year, the registrant's registration is considered expired at that time and the registrant: (1) must reapply for registration as provided by Section 158.053; and (2) may not conduct business as a residential mortgage loan servicer until the registration is approved.”

The statements in the above notice are not new requirements. They restate the same requirements in Section 158.058, added to the Finance Code effective September 1, 2011. Section 158(b) states “If a registrant fails to file a renewal and pay the renewal fee on or before December 31 of a calendar year, the registrant's registration is considered expired at that time and the registrant: (1) must reapply for registration as provided by Section 158.053 [reprinted below]; and (2) may not conduct business as a residential mortgage loan servicer until the registration is approved.”

Sec. 158.053. APPLICATION FOR REGISTRATION; FEE. (a) To register under this chapter, a residential mortgage loan servicer shall file with the commissioner an application for registration that must: (1) be in writing; (2) be under oath; (3) be in the form prescribed by the commissioner; and (4) contain: (A) the name and the address of the principal place of business of the applicant; and (B) the name, title, and address of the person authorized by the applicant to respond to complaints.

(b) At the time of making application, the applicant shall pay to the commissioner a registration fee in an amount not to exceed \$500 as determined by the finance commission.

(c) An applicant is not required to pay a registration fee under Subsection (b) if the applicant: (1) collects delinquent consumer debts owed on residential mortgage loans;

(2) does not own the residential mortgage loans for which the applicant acts as a residential mortgage loan servicer; and (3) is a third-party debt collector that has filed a bond in compliance with Chapter 392.

TDSML Fee Increases

The following fees will increase effective November 1, 2022, to August 31, 2023:

- Mortgage Loan Originator new application fee from \$50 to \$70 (plus a \$20 recovery fee);
- Mortgage Loan Originator renewal fee from \$40 to \$50;

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- Mortgage Company new application fee from \$150 to \$200;
- Mortgage Company renewal fee from \$100 to \$150;
- Credit Union Subsidiary Organization new application fee from \$150 to \$200;
- Credit Union Subsidiary Organization renewal fee from \$100 to \$150;
- Independent Contractor Loan Processor and Underwriter Company new application fee from \$150 to \$200; and
- Independent Contractor Loan Processor and Underwriter Company renewal fee from \$100 to \$150

SEE: [Fee Schedule \(Effective September 1, 2022 – October 31, 2022\)](#)
[Fee Schedule \(Effective November 1, 2022 – August 31, 2023\)](#)

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