

SUBJECT:	Proposing amendment on home equity loan closing locations
COMMITTEE:	Pensions, Investments & Financial Services — favorable, without amendment
VOTE:	7 ayes — Capriglione, Bhojani, Bryant, Leo-Wilson, Plesa, VanDeaver, Vo 0 nays 2 absent — Lambert, Frazier
WITNESSES:	None
BACKGROUND:	Under Tex. Const. Art. 16, sec. 50(a), homesteads are protected from forced sale for the payment of debts, with some exceptions. Sec. 50(a)(6)(N) includes an exception for certain extensions of credit that are closed only at the office of the lender, an attorney at law, or a title company.
DIGEST:	HJR 20 would amend Tex. Const. Art. 16, sec. 50(a)(6)(N) to allow the Legislature to establish statutory exceptions to the requirement for certain extensions of credit to be closed only at the office of the lender, an attorney at law, or a title company. It would make conforming changes to provisions on written notices from lenders. The ballot proposal would be presented to voters at an election on November 7, 2023, and would read: "The constitutional amendment authorizing the legislature to provide for exceptions to the requirement that a home equity loan be closed only at the office of the lender, an attorney at law, or a title company."
SUPPORTERS SAY:	HJR 20 would allow for legislation to be enacted allowing remote closing on home equity loans for people who may face difficulty signing in person. During the COVID-19 pandemic, some people realized the potential of technology to help facilitate business transactions. Texas

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should take this opportunity to use technology to help individuals, including those serving overseas in the military and their spouses or people with disabilities, participate in everyday life.

CRITICS
SAY:

No concerns identified.

NOTES:

HB 264 by Toth, the enabling legislation for HJR 20, was reported favorably from the House Pensions, Investments, and Financial Services Committee on March 20.