

BILL ANALYSIS

H.B. 3139
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Judiciary & Civil Jurisprudence
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties express concern that a holder of a claim against an estate that elects to have the claim treated as a preferred debt and lien has no obligation to take possession of and sell the property subject to the lien, which may allow taxes and upkeep to continue as an estate obligation for an unreasonably long period of time. H.B. 3139 seeks to address this concern.

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. 3139 amends the Estates Code to require a claim holder of a claim allowed and approved as a preferred debt and lien against the specific property securing the indebtedness who elects to take possession or sell the property securing the debt before final maturity in satisfaction of the claim holder's claim to do so within a reasonable time, as determined by the court. The bill authorizes the court to require the sale of the property free of the lien and apply the proceeds to the payment of the whole debt if the claim holder fails to take possession or sell the secured property within a reasonable time, as determined by the court.

EFFECTIVE DATE

September 1, 2015.