

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 2557
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Jurisprudence
5/10/2001
Committee Report (Substituted)

DIGEST AND PURPOSE

In some circumstances, it is possible for a person owed money as a result of a judgment on a claim (judgment creditor) to refuse to accept payment from the other party to a suit (judgment debtor) in order to adversely affect the credit rating of the judgment debtor, which can have financial repercussions beyond the amount owed under the judgment. C.S.H.B. 2557 provides for the issuance of a recordable release of judgment if the judgment creditor refuses to accept payment.

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 31.008, Civil Practice and Remedies Code, by amending Subsections (g) and adding Subsection (h), to require the court, if a judgment debtor complies with Subsection (b) and (c) and the judgment creditor refuses to accept payment of the amount under the judgment or accepts payment under the judgment and refuses to execute a release of judgment, to set the matter for hearing on a party's motion or on the court's own motion to determine whether or not a release should be filed. Authorizes the court, on notice and hearing, to direct the judgment debtor to prepare and file a recordable release of the judgment with the clerk of the court if the court makes certain findings. Reletters existing Subsection (g) as Subsection (h).

SECTION 2. Effective date: September 1, 2001. Provides that this Act applies only to the payment of any judgment on or after that date, without regard to whether the judgment was entered before, on, or after that date.

SUMMARY OF COMMITTEE CHANGES

SECTION 1. Differs from the original by amending previously proposed provisions regarding the payment of certain judgments or persons not accepting payment for certain judgments.

SECTION 2. No changes.