

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 2978
By: Parker (Paxton)
Jurisprudence
5/20/2013
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In order to sell property under a contract lien, notice of sale is provided by certified mail to each debtor. Stakeholders have observed that individuals who are served with such notice commonly do not respond to certified mail or cannot be located with a physical address, resulting in the service being returned as undeliverable mail. There is concern that this limitation on method of service causes unnecessary delays to the sale of the property.

C.S.H.B. 2978 amends current law relating to service of citation in connection with an expedited judicial foreclosure proceeding.

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 Subchapter B, Chapter 17, Civil Practice and Remedies Code, by adding Section 17.031, as follows:

Sec. 17.031. EXPEDITED FORECLOSURE PROCEEDINGS. Requires that service of citation, for a power of sale exercised by the filing of an application for an expedited court order allowing the foreclosure of a contract lien under the Texas Rules of Civil Procedure 736, be completed in accordance with Rule 736 or 106, Texas Rules of Civil Procedure, or in any other manner provided for petitions under the Texas Rules of Civil Procedure.

SECTION 2. Effective date: upon passage or September 1, 2013.