

BILL ANALYSIS

Senate Research Center
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S.B. 284
By: West
State Affairs
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In expedited foreclosure proceedings, individuals may be unaware that the process is moving forward due to the lack of required personal service—this is especially true if the parties are separated or divorced. Regular service should be required, affording homeowners the same due process rights as in other lawsuits. S.B. 284 requires that in an expedited foreclosure sale under Texas Rules of Civil Procedure 736, citation must be served each person shown by the records of the lienholder to be obligated to pay the debt.

As proposed, S.B. 284 amends current law relating to service of citation in connection with an application for an expedited court order allowing the foreclosure of a contract lien.

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 17.031, Civil Practice and Remedies Code, as follows:

Sec. 17.031. EXPEDITED FORECLOSURE PROCEEDINGS. Makes a nonsubstantive change and provides that 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 Rule 736 (Expedited Order Proceeding), Texas Rules of Civil Procedure:

- (1) citation must be served on each person who, according to the records of the holder of the debt secured by the lien, is obligated to pay the debt; and
- (2) Makes a nonsubstantive change to this subdivision.

SECTION 2. Provides that the change in law made by this Act applies only to an application for an expedited court order allowing the foreclosure of a contract lien under Rule 736, Texas Rules of Civil Procedure, filed on or after the effective date of this Act. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2015.