

1-1 By: Noble, et al. (Senate Sponsor - Johnson) H.B. No. 219
 1-2 (In the Senate - Received from the House April 19, 2023;
 1-3 April 24, 2023, read first time and referred to Committee on
 1-4 Business & Commerce; May 12, 2023, reported favorably by the
 1-5 following vote: Yeas 11, Nays 0; May 12, 2023, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to the release of a deed of trust or other contract lien
 1-22 securing a home loan after payoff by mortgagor.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Subchapter B, Chapter 343, Finance Code, is
 1-25 amended by adding Section 343.108 to read as follows:

1-26 Sec. 343.108. RELEASE OF LIEN AFTER PAYOFF BY MORTGAGOR.

1-27 (a) In this section:

1-28 (1) "Mortgage servicer," "mortgagee," and "mortgagor"
 1-29 have the meanings assigned by Section 51.0001, Property Code.

1-30 (2) "Release of lien" means a release of a deed of
 1-31 trust or other lien securing a home loan.

1-32 (b) Except as provided by Subsection (c), not later than the
 1-33 60th day after the date a mortgage servicer or mortgagee, as
 1-34 applicable, receives the correct payoff amount for a home loan from
 1-35 a mortgagor, the mortgage servicer or mortgagee shall:

1-36 (1) deliver to the mortgagor a release of lien for the
 1-37 home loan; or

1-38 (2) file the release of lien with the appropriate
 1-39 county clerk's office for recording in the real property records of
 1-40 the county.

1-41 (c) If, on or before the 20th day after the date of the
 1-42 payoff of the home loan, the mortgagor delivers a written request to
 1-43 the mortgagee or mortgage servicer for the release of lien to be
 1-44 delivered to the mortgagor or filed with the county clerk, the
 1-45 mortgagee or mortgage servicer shall deliver or file the release of
 1-46 lien not later than the 30th day after the date the mortgagee or
 1-47 mortgage servicer receives the written request from the mortgagor.

1-48 (d) Chapter 349 does not apply to this section.

1-49 (e) A mortgage servicer is required to comply with this
 1-50 section only if the mortgage servicer has the authority to deliver
 1-51 or file a release of lien for the home loan.

1-52 SECTION 2. To the extent of a conflict between Section
 1-53 343.108, Finance Code, as added by this Act, and a provision of a
 1-54 home loan agreement entered into before the effective date of this
 1-55 Act, the provision of the home loan agreement prevails.

1-56 SECTION 3. This Act takes effect September 1, 2023.

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