

BILL ANALYSIS

S.B. 1589
By: Carona
State Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Under current law there is no requirement or authority for a county clerk who believes a document is fraudulent to seek assistance. S.B. 1589 prevents the fraudulent filing and recording of liens. This bill requires a county clerk and the secretary of state, who in good faith believes that an instrument or document is fraudulent, to notify the county or district attorney, or the attorney general, as applicable, before filing, for a determination of whether the document is fraudulent.

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

Amends Section 51.901, Government Code, to require a county clerk, if the clerk believes in good faith that a document filed with the county clerk to create a lien is fraudulent, to take certain actions relating to examining the lien.

Amends Subchapter B, Chapter 405, Government Code, to require the secretary of state, if the secretary of state believes in good faith that a document filed with the secretary of state to create a lien is fraudulent, to take certain actions relating to examining the lien.

EFFECTIVE DATE

September 1, 2005