

By: Carona

S.B. No. 1587

A BILL TO BE ENTITLED

AN ACT

relating to certain foreclosure notice requirements.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subsection (g), Section 32.06, Tax Code, is amended to read as follows:

(g) A suit to foreclose a tax lien transferred as provided by this section may not be instituted within one year from the date on which the lien is recorded in all counties in which the property is located, unless the contract between the owner of the property and the transferee provides otherwise. The transferee of a tax lien or any successor in interest must notify the holders of all recorded liens on the property before foreclosure in the same manner and within the same time frame as the transferee must notify the owner of the property under Section 51.002, Property Code.

SECTION 2. Section 32.065, Tax Code, is amended by adding Subsection (g) to read as follows:

(g) A contract under this section must require that the lienholder notify the holders of all recorded liens on the property before foreclosure in the same manner and within the same time frame as the lienholder must notify the owner of the property under Section 51.002, Property Code.

SECTION 3. Subsection (g), Section 32.065, Tax Code, as added by this Act, applies only to a contract entered into under Section 32.065, Tax Code, on or after the effective date of this

1 Act. A contract entered into before the effective date of this Act
2 is governed by the law in effect on the date the contract was
3 entered into, and the former law is continued in effect for that
4 purpose.

5 SECTION 4. This Act takes effect September 1, 2005.