

1-1 By: Carona S.B. No. 1587
1-2 (In the Senate - Filed March 11, 2005; March 22, 2005, read
1-3 first time and referred to Committee on Intergovernmental
1-4 Relations; April 20, 2005, reported favorably by the following
1-5 vote: Yeas 5, Nays 0; April 20, 2005, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to certain foreclosure notice requirements.

1-9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-10 SECTION 1. Subsection (g), Section 32.06, Tax Code, is
1-11 amended to read as follows:

1-12 (g) A suit to foreclose a tax lien transferred as provided
1-13 by this section may not be instituted within one year from the date
1-14 on which the lien is recorded in all counties in which the property
1-15 is located, unless the contract between the owner of the property
1-16 and the transferee provides otherwise. The transferee of a tax lien
1-17 or any successor in interest must notify the holders of all recorded
1-18 liens on the property before foreclosure in the same manner and
1-19 within the same time frame as the transferee must notify the owner
1-20 of the property under Section 51.002, Property Code.

1-21 SECTION 2. Section 32.065, Tax Code, is amended by adding
1-22 Subsection (g) to read as follows:

1-23 (g) A contract under this section must require that the
1-24 lienholder notify the holders of all recorded liens on the property
1-25 before foreclosure in the same manner and within the same time frame
1-26 as the lienholder must notify the owner of the property under
1-27 Section 51.002, Property Code.

1-28 SECTION 3. Subsection (g), Section 32.065, Tax Code, as
1-29 added by this Act, applies only to a contract entered into under
1-30 Section 32.065, Tax Code, on or after the effective date of this
1-31 Act. A contract entered into before the effective date of this Act
1-32 is governed by the law in effect on the date the contract was
1-33 entered into, and the former law is continued in effect for that
1-34 purpose.

1-35 SECTION 4. This Act takes effect September 1, 2005.

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