

## **BILL ANALYSIS**

S.B. 300  
By: Ellis  
Government Reform  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Current law provides that a judgment becomes dormant (or "stale") if not revived every 10 years by the issuance of a writ of execution, which has the effect of renewing the judgment lien once an abstract of the judgment is recorded. Ordinarily, the judgment lien expires if not properly renewed, and studies have found that the renewal process is both time-consuming and costly.

As proposed, S.B. 300 prevents a judgment in favor of the state or a state agency (including an institution of higher education) from becoming dormant and extends the life of a judgment lien from 10 to 20 years, thereby reducing the time and costs associated with the renewal process.

### **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**

Notwithstanding Section 34.001 of the Civil Practice and Remedies Code (No Execution of Dormant Judgment), the bill amends and makes conforming changes to the Property Code so that a judgment in favor of the state or a state agency does not become dormant. Provides that a properly filed abstract continues to constitute a lien under Section 52.001 for either 20 years after it is recorded and indexed or until the judgment is satisfied and the lien released. Authorizes the lien to be renewed for one additional 20-year period by filing a renewed abstract of judgment before the expiration of the original 20-year period. Provides that the renewed judgment lien relates back to the date the original abstract was filed.

The bill defines state agency as a board, commission, council, committee, department, office, agency, or other governmental entity in the executive, legislative, or judicial branch of state government. The term includes an institution of higher education as defined by Section 61.003 of the Education Code, other than a public junior or community college.

Lastly the bill sets forth the judgments to which this Act applies.

### **EFFECTIVE DATE**

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.