By: MaddenH.B. No. 2566Substitute the following for H.B. No. 2566:C.S.H.B. No. 2566By: MaddenC.S.H.B. No. 2566

### A BILL TO BE ENTITLED

#### 1 AN ACT 2 relating to a document or instrument filed by an inmate with a court 3 concerning real or personal property. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 4 SECTION 1. Section 12.001, Property Code, is amended by 5 6 amending Subsection (a) and adding Subsection (e) to read as follows: 7 (a) An instrument concerning real or personal property may 8 be recorded if it has been acknowledged, sworn to with a proper 9 jurat, or proved according to law. The instrument must include a 10 11 statement indicating whether the person recording the instrument, 12 or on whose behalf the person is recording the instrument, is an 13 inmate. 14 (e) In this section: (1) "Inmate" means a person housed in a secure 15 16 correctional facility. (2) "Secure correctional facility" has the meaning 17 18 assigned by Section 1.07, Penal Code. SECTION 2. Section 52.003, Property Code, is amended by 19 amending Subsection (a) and adding Subsection (c) to read as 20 21 follows: An abstract of a judgment must show: 22 (a) 23 (1) the names of the plaintiff and defendant; (2) the birthdate and driver's license number of the 24

C.S.H.B. No. 2566 1 defendant, if available to the clerk or justice; 2 (3) the number of the suit in which the judgment was 3 rendered; 4 (4) the defendant's address, or if the address is not 5 shown in the suit, the nature of citation and the date and place of 6 service of citation; (5) the date on which the judgment was rendered; 7 8 (6) the amount for which the judgment was rendered and 9 the balance due; (7) the amount of the balance due, if any, for child 10 11 support arrearage; [and] 12 (8) the rate of interest specified in the judgment; 13 and (9) whether the plaintiff is an inmate. 14 15 (c) In this section: (1) "Inmate" means a person housed in a secure 16 17 correctional facility. (2) "Secure correctional facility" has the meaning 18 19 assigned by Section 1.07, Penal Code. SECTION 3. Section 9.502, Business & Commerce Code, is 20 21 amended by amending Subsection (a) and adding Subsection (e) to read as follows: 22 Subject to Subsection (b), a financing statement is 23 (a) 24 sufficient only if it: 25 (1)provides the name of the debtor; 26 (2) provides the name of the secured party or a 27 representative of the secured party and states whether the secured

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1 party is an inmate; and

2 (3) indicates the collateral covered by the financing3 statement.

4 (e) In this section:

5 <u>(1) "Inmate" means a person housed in a secure</u> 6 <u>correctional facility.</u>

7 (2) "Secure correctional facility" has the meaning
8 assigned by Section 1.07, Penal Code.

9 SECTION 4. Section 51.901, Government Code, is amended by 10 amending Subsection (c) and adding Subsections (e) and (f) to read 11 as follows:

12 (c) For purposes of this section, a document or instrument13 is presumed to be fraudulent if:

(1) the document is a purported judgment or other document purporting to memorialize or evidence an act, an order, a directive, or process of:

(A) a purported court or a purported judicial
entity not expressly created or established under the constitution
or the laws of this state or of the United States; or

(B) a purported judicial officer of a purported
court or purported judicial entity described by Paragraph (A); [<del>or</del>]
(2) the document or instrument purports to create a
lien or assert a claim against real or personal property or an

24 interest in real or personal property and:

(A) is not a document or instrument provided for
by the constitution or laws of this state or of the United States;
(B) is not created by implied or express consent

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or agreement of the obligor, debtor, or the owner of the real or 1 2 personal property or an interest in the real or personal property, if required under the laws of this state, or by implied or express 3 4 consent or agreement of an agent, fiduciary, or other 5 representative of that person; or

6 (C) is not an equitable, constructive, or other 7 lien imposed by a court with jurisdiction created or established 8 under the constitution or laws of this state or of the United 9 States<u>; or</u>

10 <u>(3) the document or instrument purports to create a</u> 11 <u>lien or assert a claim against real or personal property or an</u> 12 <u>interest in real or personal property and the document or</u> 13 <u>instrument is filed by an inmate or on behalf of an inmate</u>.

14 (e) A presumption under Subsection (c)(3) may be rebutted by 15 providing the clerk of the court in which the document is filed or recorded the original or a copy of a sworn and notarized document 16 17 signed by the obligor, debtor, or owner of the property designated as collateral stating that the person entered into a security 18 19 agreement with the inmate and authorized the filing of the financial statement as provided by Section 9.509, Business & 20 21 Commerce Code.

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#### (f) In this section:

assigned by Section 1.07, Penal Code.

23 <u>(1) "Inmate" means a person housed in a secure</u>
24 <u>correctional facility.</u>
25 <u>(2) "Secure correctional facility" has the meaning</u>

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SECTION 5. The change in law made by this Act applies only

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to a document or instrument presented for recording on or after the effective date of this Act. A document or instrument presented for recording before the effective date of this Act is covered by the law in effect when the document or instrument was presented for recording, and the former law is continued in effect for that purpose.

SECTION 6. This Act takes effect September 1, 2007.