

BILL ANALYSIS

C.S.H.B. 669
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Business & Industry
Committee Report (Substituted)

BACKGROUND AND PURPOSE

In 1997, the 75th Legislature, Regular Session, enacted H.B. 1185, which created civil penalties for filing a fraudulent court record, lien, or claim against real or personal property or an interest in such property. The bill's purpose was to address individuals or organizations that file fraudulent judgment liens against public officials and citizens.

C.S.H.B. 669 exempts a person claiming a mechanic's, contractor's or materialman's lien that is reasonable and determined to be invalid only because of a technical error or omission or to be substantially valid, in whole or in part, from liability related to a fraudulent lien or claim.

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

C.S.H.B. 669 amends the Civil Practice and Remedies Code to exempt a person claiming a mechanic's, contractor's, or materialman's lien, or the claimant's representative, from liability related to a fraudulent lien or claim filed against real or personal property. The bill exempts the claimant or the representative from liability for the making, presentation, or use of a document or other record in connection with the assertion of the claim if the lien claim is reasonable and the filed lien is determined to be invalid only because of a technical error or omission in the document or other record being made, presented or used, or the lien claim is reasonable and the filed lien is determined to be substantially valid, in whole or part.

EFFECTIVE DATE

September 1, 2009.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 669 removes a provision from the original creating an exemption relating to liability arising out of the filing of a mechanic's, contractor's, or materialman's lien for a person who believes in good faith that the lien is valid. The substitute adds a provision not in the original to add that the lien claim is reasonable to the conditions for an exemption. The substitute adds a provision not in the original to create an exemption if the lien claim is reasonable and the filed lien is determined to be substantially valid, in whole or part.