

By: Duncan

S.B. No. 1456

A BILL TO BE ENTITLED

AN ACT

relating to the time for bringing an action on a consumer debt.

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

SECTION 1. Section 16.004, Civil Practice and Remedies Code, is amended by amending Subsection (a) and adding Subsection (d) to read as follows:

(a) Except as provided by Subsection (d), a [A] person must bring suit on the following actions not later than four years after the day the cause of action accrues:

(1) specific performance of a contract for the conveyance of real property;

(2) penalty or damages on the penal clause of a bond to convey real property;

(3) debt;

(4) fraud; or

(5) breach of fiduciary duty.

(d) A person must bring suit on a cause of action on a consumer debt, as defined by Section 392.001, Finance Code, not later than four years after the 60th day after the later of:

(1) the date of the last payment on the account by the debtor; or

(2) the date of the last charge on the account by the debtor.

SECTION 2. The change in law made by this Act applies only

1 to an action on a consumer debt on which a payment or charge on the
2 account is made on or after the effective date of this Act. An
3 action on a consumer debt on which a payment or charge is not made on
4 or after the effective date of this Act is governed by the law in
5 effect immediately before the effective date of this Act, and that
6 law is continued in effect for that purpose.

7 SECTION 3. This Act takes effect immediately if it receives
8 a vote of two-thirds of all the members elected to each house, as
9 provided by Section 39, Article III, Texas Constitution. If this
10 Act does not receive the vote necessary for immediate effect, this
11 Act takes effect September 1, 2009.