

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION**

**April 14, 2009**

**TO:** Honorable Joe Deshotel, Chair, House Committee on Business & Industry

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB3482** by Coleman (Relating to the notice required by mortgage servicers before foreclosing a contract lien on certain real property; providing civil penalties.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Property Code so that a mortgagee could not accelerate a repayment of a debt secured by a contract lien or post foreclosed property for sale under a power of sale conferred by a deed unless certain procedures were followed. A mortgage servicer who violated these provisions would be liable for a person's actual damages arising from a violation and for a civil penalty of not more than \$2,000. The Texas Department of Housing and Community Affairs (TDHCA) would create a form that a mortgage servicer would send to the debtor stating the debtor had the right to enter into mediation.

Based on the analysis provided by TDHCA, the Department of Savings and Mortgage Lending, and the Comptroller of Public Accounts, duties and responsibilities associated with implementing the provisions of the bill could be accomplished utilizing existing resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 304 Comptroller of Public Accounts, 332 Department of Housing and Community Affairs, 450 Department of Savings and Mortgage Lending

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