

By: Watson

S.B. No. 1187

A BILL TO BE ENTITLED

AN ACT

relating to the effect of indexing notices of lis pendens.

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

SECTION 1. Section 13.004, Property Code, is amended to read as follows:

Sec. 13.004. EFFECT OF RECORDING LIS PENDENS. (a) A recorded lis pendens is notice to the world of its contents. The notice is effective from the time it is filed for record and indexed as provided by Section 12.007(c), regardless of whether service has been made on the parties to the proceeding.

(b) A transfer or encumbrance of real property involved in a proceeding by a party to the proceeding to a third party who has paid a valuable consideration and who does not have actual or constructive notice of the proceeding is effective, even though the judgment is against the party transferring or encumbering the property, unless a notice of the pendency of the proceeding has been recorded and indexed under that party's name as provided by Section 12.007(c) in each county in which the property is located.

SECTION 2. The change in law made by this Act applies only to a notice of lis pendens filed for record on or after the effective date of this Act. A notice filed for record before the effective date of this Act is covered by the law in effect when the notice was filed, and the former law is continued in effect for that purpose.

1 SECTION 3. This Act takes effect September 1, 2011.