

BILL ANALYSIS

H.B. 584
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Technology
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, notice of a foreclosure sale of real property is filed with a county clerk and then posted in the courthouse lobby, with an auction later taking place on the steps of the county's courthouse. The purpose of the filing and posting, in part, is to give notice to potential purchasers of properties that may soon be available for bidding. Interested parties report that, in some cases, the only bidder on the property is the foreclosing entity, who may use the sale as a mechanism to transfer the asset from an account receivable to an asset titled to the bank. However, interested parties contend that competitive sales, such as a public auction where cash bidders compete for the property, are good for troubled borrowers and communities because the sales may help real estate retain its value and may allow a borrower to be compensated for the equity acquired in a foreclosed home.

H.B. 584 seeks to make foreclosure information readily available to the bidding public by requiring any county that maintains an Internet website to post on that website a notice of foreclosure sale filed with the county clerk.

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

H.B. 584 amends the Property Code to require a county that maintains an Internet website to post a notice of a foreclosure sale of real property, filed with the county clerk as required by state law, on the website on a page that is publicly available for viewing without charge or registration.

EFFECTIVE DATE

September 1, 2013.