

BILL ANALYSIS

Senate Research Center
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S.B. 584
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In the 82nd Legislature, Regular Session, 2011, S.B. 1496 was signed into law, allowing the use of "correction instruments" to correct errors in county documents relating to the transfer of real property. In general, correction instruments are the method for correcting errors in deeds and similar documents.

When documents are filed relating to the transfer of real property, county clerks index the filings for easy retrieval. Since the establishment of the statutory "correction instrument," some counties have interpreted the law to mean that correction instruments are not to be indexed under the names of the parties of the original transaction, but under the name of the person filing the instrument. Because this person may not be a party to the original transaction, the correction instrument may be difficult to find in the chain of title and thus difficult to locate in the future.

S.B. 584 ensures that correction instruments are indexed with the names of the original parties to the transaction and that those researching title can find the correction instruments. This is a commonsense measure that will reduce confusion in transfers of real property, and ensure that unnecessary mistakes are avoided.

As proposed, S.B. 584 amends current law relating to the indexing of correction instruments in a county index to real property records.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 193.003, Local Government Code, by amending Subsections (a) and (b) and adding Subsection (d), as follows:

- (a) Requires the county clerk to maintain an alphabetical record of correction instruments. Makes nonsubstantive change.
- (b) Requires the index entry for a correction instrument to contain the names of the grantors and grantees as stated in the correction instrument.
- (d) Defines "correction instrument."

SECTION 2. Effective date: September 1, 2015.